

**CITY OF JENNINGS, LOUISIANA**

**ANNUAL FINANCIAL REPORT**

**JUNE 30, 2003**

CITY OF JENNINGS, LOUISIANA

ANNUAL FINANCIAL REPORT  
JUNE 30, 2003

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# KRIELOW & COMPANY

(A PROFESSIONAL ACCOUNTING CORPORATION)

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## INDEPENDENT AUDITORS' REPORT

The Honorable Terry W. Duhon, Mayor  
and the Members of the City Council  
City of Jennings, Louisiana

We have audited the accompanying primary government financial statements of the City of Jennings, Louisiana, as of and for the year ended June 30, 2003, as listed in the table of contents. These financial statements are the responsibility of the City of Jennings, Louisiana's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

A primary government is a legal entity or political body and includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate. Such legally separate entities are referred to as component units. In our opinion the primary government financial statements present fairly, in all material respects, the financial position of the primary government of the City of Jennings, Louisiana, as of June 30, 2003, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

However, the primary government financial statements, because they do not include the financial data of component units of the City of Jennings, Louisiana, do not purport to, and do not, present fairly the financial position of the City of Jennings, Louisiana, as of June 30, 2003, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 26, 2003 on our consideration of the City of Jennings' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The combining, individual fund, and account group financial statements and other supplemental information listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements of the City of Jennings, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

*Krielow & Company*  
Certified Public Accountants

Jennings, Louisiana  
December 26, 2003

**PRIMARY GOVERNMENT FINANCIAL STATEMENTS  
(COMBINED STATEMENTS-OVERVIEW)**

CITY OF JENNINGS, LOUISIANA  
 COMBINED BALANCE SHEET  
 ALL FUND TYPES AND ACCOUNT GROUPS  
 JUNE 30, 2003

	GOVERNMENT FUND TYPES		PROPRIETARY FUND TYPE		FIDUCIARY FUND TYPE		ACCOUNT GROUPS		TOTALS (MEMORANDUM ONLY)	
	SPECIAL REVENUE		ENTERPRISE		AGENCY		GENERAL ASSETS	GENERAL LONG-TERM DEBT	JUNE 30, 2003	JUNE 30, 2002
	GENERAL									
<b>ASSETS:</b>										
Cash	\$ 36,193	\$ 45,132	\$ 400	\$ 1,038,223			\$ -	\$ -	\$ 1,119,948	\$ 896,982
Investments, at Cost	1,600,000	1,995,766	300,000	-	-	-	-	-	3,895,766	4,170,766
Receivables:										
Accounts	155,674	2,923	106,276	-	-	-	-	-	264,873	265,908
Other	170,681	204,927	78,006	700	-	-	-	-	454,314	380,479
1% Sales Tax	-	20,724	-	-	-	-	-	-	20,724	20,187
Due from Other Funds	115,206	535,305	302,593	-	-	-	-	-	953,104	734,258
Inventory, at Cost	31,482	-	1,038	-	-	-	-	-	32,520	38,688
Prepaid Insurance	-	-	6,005	-	-	-	-	-	6,005	1,356
Restricted Assets:										
Cash	-	-	2,545	-	-	-	-	-	2,545	12,308
Investments, at Cost	-	-	734,004	-	-	-	-	-	734,004	721,004
Fixed Assets (Net of Accumulated Depreciation)	-	-	9,978,739	-	-	-	7,657,132	-	17,635,871	17,404,048
Amount to be Provided for Accumulated Unpaid Leave	-	-	-	-	-	-	-	74,916	74,916	78,387
<b>Total Assets</b>	<b>\$ 2,109,236</b>	<b>\$ 2,804,777</b>	<b>\$ 11,509,606</b>	<b>\$ 1,038,923</b>	<b>\$ 7,657,132</b>	<b>\$ 74,916</b>	<b>\$ 25,194,590</b>	<b>\$ 24,724,371</b>		

LIABILITIES AND FUND EQUITIES:

<b>Liabilities:</b>										
Accounts Payable	\$ 57,697	\$ 72,738	\$ 28,936	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 159,371	\$ 166,189
Retainage Payable	-	39,268	-	-	-	-	-	-	39,268	22,926
Accrued Liabilities	2,484	-	16,950	6,369	-	-	-	-	25,803	23,130
Employee Withholding	-	-	-	79,824	-	-	-	-	79,824	77,854
Other	-	-	458	-	-	-	-	-	458	439
Payable from Restricted Assets: Deposits	-	-	153,111	-	-	-	-	-	153,111	149,693
Accrued Interest	-	-	48,137	-	-	-	-	-	48,137	58,647
Due to Other Funds	-	-	374	-	-	-	-	-	374	734,258
Prepaid Accounts for Customers	-	-	1,300	-	-	-	-	-	1,300	1,100
Accumulated Unpaid Leave	-	-	-	952,730	-	-	-	74,916	74,916	78,387
Current Portion of Bonds Payable	-	-	455,000	-	-	-	-	-	455,000	435,000
Bonds Payable-Hancock Bank	-	-	695,000	-	-	-	-	-	695,000	840,000
Bonds Payable-DEQ	-	-	4,390,000	-	-	-	-	-	4,390,000	4,690,000
<b>Total Liabilities</b>	<b>\$ 60,181</b>	<b>\$ 112,006</b>	<b>\$ 5,789,266</b>	<b>\$ 1,038,923</b>	<b>\$ 7,657,132</b>	<b>\$ 74,916</b>	<b>\$ 7,075,292</b>	<b>\$ 7,277,623</b>		
<b>Fund Equity:</b>										
Contributed Capital	\$ -	\$ -	\$ 1,283,854	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,283,854	\$ 1,283,854
Investment in General Fixed Assets	-	-	-	-	7,657,132	-	-	-	7,657,132	7,413,413
Retained Earnings:										
Unreserved	-	-	4,433,833	-	-	-	-	-	4,433,833	4,441,936
Reserved for Deposits	-	-	2,653	-	-	-	-	-	2,653	2,805
Fund Balance:										
Reserved for Inventory	31,482	-	-	-	-	-	-	-	31,482	36,307
Reserved for Revolving Loan Program	-	-	-	-	-	-	-	-	-	-
Unreserved-Undesignated	2,017,573	2,692,771	-	-	-	-	-	-	4,710,344	4,268,433
<b>Total Fund Equity</b>	<b>\$ 2,049,055</b>	<b>\$ 2,692,771</b>	<b>\$ 5,720,340</b>	<b>\$ -</b>	<b>\$ 7,657,132</b>	<b>\$ -</b>	<b>\$ 18,119,298</b>	<b>\$ 17,446,748</b>		
<b>Total Liabilities and Fund Equity</b>	<b>\$ 2,109,236</b>	<b>\$ 2,804,777</b>	<b>\$ 11,509,606</b>	<b>\$ 1,038,923</b>	<b>\$ 7,657,132</b>	<b>\$ 74,916</b>	<b>\$ 25,194,590</b>	<b>\$ 24,724,371</b>		

## CITY OF JENNINGS, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED JUNE 30, 2003

	GENERAL	SPECIAL REVENUE	TOTALS (MEMORANDUM ONLY)	
			JUNE 30, 2003	JUNE 30, 2002
<b>REVENUES:</b>				
Taxes	\$ 2,388,511	\$ 2,525,782	\$ 4,914,293	\$ 4,811,584
Licenses and Permits	361,627	-	361,627	366,611
Intergovernmental Revenues	282,498	1,164,467	1,446,965	898,088
Charges for Services	379,757	2,146	381,903	376,866
Fines and Forfeits	89,792	917	90,709	87,218
Miscellaneous Revenues	434,839	217,582	652,421	643,817
Total Revenues	<u>\$ 3,937,024</u>	<u>\$ 3,910,894</u>	<u>\$ 7,847,918</u>	<u>\$ 7,184,184</u>
<b>EXPENDITURES:</b>				
Current:				
General Government	\$ 701,156	\$ 177,684	\$ 878,840	\$ 880,306
Public Safety	2,543,189	155,620	2,698,809	2,723,670
Public Works	96,581	1,838,419	1,935,000	1,460,627
Sanitation	297,260	-	297,260	286,174
Culture and Recreation	428,832	560,467	989,299	920,175
Other	43,596	-	43,596	43,526
Total Expenditures	<u>\$ 4,110,614</u>	<u>\$ 2,732,190</u>	<u>\$ 6,842,804</u>	<u>\$ 6,314,478</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (173,590)</u>	<u>\$ 1,178,704</u>	<u>\$ 1,005,114</u>	<u>\$ 869,706</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	\$ 371,666	\$ 174,695	\$ 546,361	\$ 639,199
Transfers Out	-	(1,114,389)	(1,114,389)	(1,661,974)
Total Other Financing Sources (Uses)	<u>\$ 371,666</u>	<u>\$ (939,694)</u>	<u>\$ (568,028)</u>	<u>\$ (1,022,775)</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ 198,076</u>	<u>\$ 239,010</u>	<u>\$ 437,086</u>	<u>\$ (153,069)</u>
Unreserved Fund Balances-Beginning	\$ 1,814,672	\$ 2,453,761	\$ 4,268,433	\$ 4,322,661
Decrease in Reserves	36,307	-	36,307	41,578
Reserved for Inventory	(31,482)	-	(31,482)	(36,307)
(Increase) Decrease in Reserve for Revolving Loan Program	-	-	-	93,570
Unreserved Fund Balances-Ending	<u>\$ 2,017,573</u>	<u>\$ 2,692,771</u>	<u>\$ 4,710,344</u>	<u>\$ 4,268,433</u>

CITY OF JENNINGS, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES-BUDGET (GAAP BASIS) AND ACTUAL  
GENERAL AND SPECIAL REVENUE FUND TYPES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	GENERAL FUND		SPECIAL REVENUE FUND TYPES		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	BUDGET	ACTUAL	
<b>REVENUES:</b>					
Taxes	\$ 2,369,130	\$ 2,388,511	\$ 2,536,870	\$ 2,525,782	\$ (11,088)
Licenses and Permits	345,000	361,627	-	-	-
Intergovernmental Revenue	189,873	160,332	1,284,000	1,164,467	(119,533)
Charges for Services	384,000	379,757	2,000	2,146	146
Fines and Forfeits	66,000	89,792	700	917	217
Miscellaneous Revenues	508,243	557,005	252,546	217,582	(34,964)
Total Revenues	\$ 3,862,246	\$ 3,937,024	\$ 4,076,116	\$ 3,910,894	\$ (165,222)
<b>EXPENDITURES:</b>					
Current:					
General Government	\$ 725,683	\$ 701,156	\$ 240,480	\$ 177,684	\$ 62,796
Public Safety	2,622,824	2,543,189	211,700	155,620	56,080
Public Works	106,640	96,581	2,144,535	1,838,419	306,116
Sanitation	292,705	297,260	-	-	-
Culture and Recreation	478,930	428,832	614,224	560,467	53,757
Other	58,020	43,596	-	-	-
Total Expenditures	\$ 4,284,802	\$ 4,110,614	\$ 3,210,939	\$ 2,732,190	\$ 478,749
Excess (Deficiency) of Revenues Over Expenditures	\$ (422,556)	\$ (173,590)	\$ 865,177	\$ 1,178,704	\$ 313,527
<b>OTHER FINANCING SOURCES (USES):</b>					
Operating Transfers In	\$ 371,666	\$ 371,666	\$ 174,695	\$ 174,695	\$ -
Operating Transfers Out	-	-	(1,111,426)	(1,114,389)	(2,963)
Total Other Financing Sources (Uses)	\$ 371,666	\$ 371,666	\$ (936,731)	\$ (939,694)	\$ (2,963)
Excess (Deficiency) of Revenues Over Expenditures and Other Uses	\$ (50,890)	\$ 198,076	\$ (71,554)	\$ 239,010	\$ 310,564
Unreserved Fund Balance-Beginning	\$ 1,814,672	\$ 1,814,672	\$ 2,453,761	\$ 2,453,761	\$ -
Decrease in Reserves	36,307	36,307	-	-	-
Reserve for Inventory	(31,482)	(31,482)	-	-	-
Unreserved Fund Balance-Ending	\$ 1,768,607	\$ 2,017,573	\$ 2,382,207	\$ 2,692,771	\$ 310,564

The Accompanying Notes Are An Integral Part of These Financial Statements.

## CITY OF JENNINGS, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN  
 RETAINED EARNINGS AND CONTRIBUTED CAPITAL-ALL PROPRIETARY FUND TYPES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	JUNE 30, 2003	(TOTALS MEMORANDUM ONLY) JUNE 30, 2002.
<b><u>OPERATING REVENUES:</u></b>		
Charges for Services-		
Water & Sewer Charges	\$ 1,325,124	\$ 1,312,188
Water & Sewer Tap Charges	9,860	12,684
Rent & Utility Charges	70,755	71,712
Miscellaneous Revenues	22,241	67,918
Total Operating Revenues	<u>\$ 1,427,980</u>	<u>\$ 1,464,502</u>
<b><u>OPERATING EXPENSES:</u></b>		
Waterworks	\$ 695,134	\$ 751,787
Sewer Works	195,843	164,019
Sewer Plant	675,507	594,705
Revenue Office	188,193	199,523
Rental Expenses	91,262	84,792
Total Operating Expenses	<u>\$ 1,845,939</u>	<u>\$ 1,794,826</u>
Operating Income (Loss)	<u>\$ (417,959)</u>	<u>\$ (330,324)</u>
<b><u>NONOPERATING REVENUES (EXPENSES):</u></b>		
Interest Income	\$ 36,634	\$ 42,497
Interest Expense	(185,851)	(196,851)
Bond Issue Cost	(10,838)	-
Gain (Loss) on Disposition	1,731	(19,089)
Total Nonoperating Revenues (Expenses)	<u>\$ (158,324)</u>	<u>\$ (173,443)</u>
Income (Loss) Before Operating Transfers	<u>\$ (576,283)</u>	<u>\$ (503,767)</u>
<b><u>OPERATING TRANSFERS IN (OUT):</u></b>		
From Capital Improvements Fund	\$ 1,240	\$ (1,200)
From 1994 1% Sales Tax Fund	691,788	1,148,975
To General Fund	(125,000)	(125,000)
Total Operating Transfers in (Out)	<u>\$ 568,028</u>	<u>\$ 1,022,775</u>
NET INCOME	<u>\$ (8,255)</u>	<u>\$ 519,008</u>
Decrease in Reserve for Deposits	\$ 152	\$ 140
Unreserved Retained Earnings, Beginning	<u>4,441,936</u>	<u>3,922,788</u>
Unreserved Retained Earnings, Ending	<u>\$ 4,433,833</u>	<u>\$ 4,441,936</u>
Contributed Capital, Beginning	\$ 1,283,854	\$ 632,229
Government's Contribution	<u>-</u>	<u>651,625</u>
Contributed Capital, Ending	<u>\$ 1,283,854</u>	<u>\$ 1,283,854</u>

The Accompanying Notes Are An Integral Part of These Financial Statements.

## EXHIBIT E

CITY OF JENNINGS, LOUISIANA  
 COMBINED STATEMENT OF CASH FLOWS  
 ALL PROPRIETARY FUND TYPES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	JUNE 30, 2003	(TOTALS MEMORANDUM ONLY) JUNE 30, 2002
Cash Flows from Operating Activities:		
Operating Income (Loss)	\$ (417,958)	\$ (330,324)
Adjustments to Reconcile Operating		
Income to Net Cash Provided by Operating Activities:		
Depreciation	370,728	360,127
Net Changes in Assets and Liabilities:		
Decrease (Increase) in Receivables	6,968	(13,547)
Decrease (Increase) in Prepaid Insurance	(4,649)	4,905
Decrease (Increase) in Inventory	1,343	(1,499)
Increase (Decrease) Accounts Payable	259	12,976
Increase in Accrued Payables	(756)	(689)
Net Cash Provided (Used) by Operating Activities	<u>\$ (44,065)</u>	<u>\$ 31,949</u>
Cash Flows from Non-Capital Financing		
Activities:		
Increase (Decrease) in Due to Other Funds	\$ (5)	\$ 379
Operating Transfers In	693,028	1,148,975
Contributed Capital	-	651,625
Operating Transfers (Out)	(125,000)	(126,200)
Net Cash Provided (Used) by		
Non-Capital Financing Activities	<u>\$ 568,023</u>	<u>\$ 1,674,779</u>
Cash Flows from Capital and Related		
Financing Activities:		
Increase in Liabilities Payable from		
Restricted Assets	\$ 3,418	\$ 5,147
Increase in Retainage Payable	(22,926)	(246,255)
Interest Paid on Bonds	(196,361)	(198,941)
Bond Issue Cost	(10,838)	-
Proceeds from Sale of Assets	2,300	3,900
Acquisition of Fixed Assets	(323,351)	(98,463)
Construction	(36,050)	(915,094)
Proceeds from Hancock Bank Bonds	850,000	-
Proceeds from DEQ Loan	-	445,690
Payments on DEQ Loan	(290,000)	(280,000)
Payments on Bank of New York Loan	(985,000)	(140,000)
Other	-	(1,971)
Net Cash (Used) by Capital and		
Related Financing Activities	<u>\$ (1,008,808)</u>	<u>\$ (1,425,987)</u>
Cash Flows from Investing Activities:		
Purchase of Short-Term Investments	\$ (313,000)	\$ (250,000)
Redemption of Short-Term Investments	650,000	100,000
Interest Income	36,634	42,497
Net Cash Provided (Used) by		
Investing Activities	<u>\$ 373,634</u>	<u>\$ (107,503)</u>
Net Increase (Decrease) in Cash and Cash		
Equivalents	\$ (111,216)	\$ 173,238
Cash and Cash Equivalents-Beginning of Year	416,754	243,516
Cash and Cash Equivalents-End of Year	<u>\$ 305,538</u>	<u>\$ 416,754</u>
Cash and Cash Equivalents-End of Year		
Consist of:		
Unrestricted Cash	\$ 400	\$ 400
Unrestricted Cash in Clearing Fund	302,593	404,046
Restricted Cash	2,545	12,308
Total	<u>\$ 305,538</u>	<u>\$ 416,754</u>

Non-Cash Investing, Capital, and Financing Activities:  
 There were no significant non-cash investing, capital, and  
 financing activities during the reported periods.

The Accompanying Notes Are An Integral Part Of These Financial Statements.

CITY OF JENNINGS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2003

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Jennings was incorporated May 2, 1888 and has adopted a Home Rule Charter according to Title 33 of the Louisiana Revised Statutes. The City operates under a Mayor-City Council form of government and provides the following services as authorized by its charter: public safety (police and fire), public works (streets and lighting), sanitation, health, culture-recreation, public improvements, planning and general administrative services.

The accounting and reporting policies of the City of Jennings conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the *Louisiana Governmental Audit Guide*, and to the industry audit guide, *Audits of State and Local Governmental Units*, published by the American Institute of Certified Public Accountants. Our examination was also made in accordance with the provisions of *Government Auditing Standards*, promulgated by the United States Comptroller General, as they pertain to financial and compliance audits.

The following is a summary of the more significant accounting policies.

A. BASIS OF PRESENTATION

The accompanying financial statements of the City of Jennings have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standards setting body for establishing governmental accounting and financial reporting principles.

B. REPORTING ENTITY

The financial reporting entity consists of (a) the primary government (City), (b) organizations for which the primary government is financially accountable, and other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the City for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is the financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the City to impose its will on the organization and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City.
2. Organizations for which the City does not appoint a voting majority but are fiscally dependent on the City.

CITY OF JENNINGS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS  
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3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the City has determined that the following component units are part of the reporting entity:

<u>Component Unit</u>	<u>Fiscal Year End</u>	<u>Criteria Used</u>
Industrial Development Board	June 30	1, 1a and 3
City Court and City Marshall	June 30	2 and 3

The City has chosen to issue financial statements of the primary government (City) only; therefore, none of the previously listed component units are included in the accompanying financial statements. Financial statements for these component units can be obtained from the individual component units.

These primary government (City) financial statements include all funds, account groups, and organizations for which the City maintains the accounting records. The Hotel/Motel Tax Fund for which the City budgets the activity and maintains the accounting records is considered part of the primary government (City).

GASB Statement 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's (City) financial statements are not a substitute for the reporting entity's financial statements. The City has chosen to issue financial statements of the primary government only. As such, these financial statements are not intended to and do not report on the reporting entity but rather are intended to reflect only the financial statements of the primary government (City).

Related Organization

Jennings Housing Authority - The Commissioners of the Authority are appointed by the Mayor, but the City does not provide funding, has no obligation for the debt issued by the Authority, and cannot impose its will. This authority has not been included in the reporting entity.

Joint Venture

Jefferson Davis Parish Landfill Commission - A jointly owned commission with the Jefferson Davis Parish Police Jury and the Cities of Welsh and Lake Arthur was formed to provide a solid waste disposal facility for its member-owners (See Note 6). This commission has not been included in the reporting entity.

C. FUND ACCOUNTING

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate.

Government resources are allocated to and accounted for in individual funds based on the purpose for which they are to be spent and the means by which spending activities are controlled.

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The various funds are grouped in the financial statements in this report, into six generic fund types and three broad fund categories as follows:

GOVERNMENTAL FUNDS:

General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service Funds - Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital Projects Funds - Account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

PROPRIETARY FUNDS:

Enterprise Funds - Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

FIDUCIARY FUNDS:

Agency Funds - Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

D. FIXED ASSETS AND LONG-TERM LIABILITIES

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems are not capitalized along with the other general fixed assets. No depreciation has been provided on general-fixed assets.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group. Long-term liabilities expected to be financed from proprietary funds are accounted for on the balance sheet of the respective proprietary fund.

CITY OF JENNINGS, LOUISIANA

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Fixed assets used in proprietary fund type operations are accounted for on the particular fund's balance sheet while depreciation of these fixed assets used by proprietary funds is charged as an expense against their operations.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated. All fixed assets were paid for in cash.

The two account groups are not "funds." They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight line method. The estimated useful lives are as follows:

Buildings & Improvements	25-30 years
Machinery & Equipment	5-15 years
Furniture & Fixtures	5-10 years
Sewer & Improvement	10-40 years

**E. BASIS OF ACCOUNTING**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Revenue is considered available if received within 60 days of fiscal year end.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include: (1) accumulated unpaid vacation, sick pay, and other employee amounts which are not accrued and are immaterial; and (2) principal and interest on general long-term debt which is recognized when due.

All Proprietary Funds are accounted for using the accrual basis of accounting. Their revenue are recognized when they are earned and their expenses are recognized when they are incurred.

**F. BUDGETS AND BUDGETARY ACCOUNTING**

The City follows these procedures in establishing the budgetary data reflected in these primary government financial statements:

1. The City Clerk prepares an operating departmentalized budget, a pay plan budget, and a capital improvements budget and submits these budgets to the Mayor and City Council no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the total proposed budgets is published and the public notified that the proposed budgets are available for public inspection. At the same time, a public hearing is called.

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3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
5. The City Clerk is authorized to transfer budgeted amounts within departments, within any fund except for salary items and capital improvement items which cannot be amended without City Council approval. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated requires the approval of the City Council.
6. Formal budgetary integration is used as a management control device by all funds during the year.
7. Budgets for all funds, except the Fiduciary Funds which have no adopted budgets, are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts shown on the financial statements were amended by the City Council on September 10, 2002, and February 11, 2003.
8. All budgetary appropriations lapse at the end of each fiscal year.

G. CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes only demand deposit accounts (including restricted assets) with financial institutions and amounts due from the clearing fund.

H. INVESTMENTS

Investments are recorded at cost which approximate fair value. Investments are made only in nonnegotiable certificates of deposit and money market type investments with the Louisiana Asset Management Pool (LAMP) and are therefore exempt from the fair value standards as required by *GASB Statement No. 31*. LAMP is an investment pool, administered by the Treasurer of the State of Louisiana, which invests in various types of securities authorized by state statute. The fair value of the investment in the pool is the same as the value of pool shares. There is no involuntary participation in an external investment pool.

I. ENCUMBRANCES

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund and Special Revenue Funds. Encumbrances outstanding at year end, if any, are reported as reservation of fund balances since they do not constitute expenditures or liabilities.

J. BAD DEBTS

Uncollectible amounts due for customers' utility receivables, since they are immaterial, are recognized as bad debts through a direct write-off at the time information becomes available which would indicate the uncollectability of the particular receivable. If ad valorem taxes become uncollectible, the property

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involved is seized and sold as of May 31 of the effected fiscal year, and therefore, all material ad valorem taxes are collected as of the end of the current fiscal year.

K. INVENTORY

Special reporting treatments are applied to governmental fund inventories to indicate that they do not represent "available spendable resources," even though they are a component of net current assets. Such amounts are generally offset by fund balance reserve accounts.

Inventory in the General Fund consists of miscellaneous office supplies and merchandise held for resale by the Tupper Store. The inventory of the Tupper Store is valued at Cost. Reported inventory is equally offset by a fund balance reservation. Other inventories in the General and Special Revenue Funds consist of expendable supplies held for consumption.

Inventory in the Enterprise Funds consist of trash bags held for sale to general public and for use by various city departments to assist in the City's garbage collection function. Inventories are priced at cost (first-in, first-out).

L. COMPARATIVE DATA

Comparative total data for the prior year has been presented in the accompanying primary government financial statements in order to provide an understanding of changes in the City's financial position and operations. However, comparative (i.e., presentation of prior year totals by fund type) data has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

M. TOTAL COLUMNS ON COMBINED STATEMENTS - OVERVIEW

Total columns on the Combined Statements - Overview are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

N. COMPENSATED ABSENCES

The City provides leave for vacation, sickness and illness, personal business and as an award in their safety program. Vacation leave is provided for all employees with one or more years of service. It ranges from 10 to 20 days per year depending on length of service. Sickness and illness leave of 5 to 365 days is provided depending on length of service and the department in which the employee serves. Three days of leave is provided for personal business each year and two to four days of leave is awarded to employees annually for safety on their job.

It is the City's policy that leave does not accumulate except the amount earned in the current calendar year. Any leave not utilized by December 31st is lost. The leave accrued as of the end of the fiscal year for governmental employees is reported in the long-term debt account group. The accrued leave for enterprise fund employees is recorded in the appropriate enterprise fund.

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O. CAPITALIZATION OF INTEREST COST

FASB Statements No. 34, *Capitalization of Interest Cost*, and No. 62, *Capitalization of Interest Cost in Situations Involving Certain Tax-Exempt Borrowings and Certain Gifts and Grants*, require that interest cost (net of interest earned) during the construction phase of major capital projects be capitalized if financed with restricted tax-exempt debt. The objectives of capitalizing interest are (a) to obtain a measure of acquisition cost that more closely reflects the enterprise's total investment in the asset, and (b) to charge a cost that relates to the acquisition of a resource that will benefit future periods against the revenues of the period benefitted.

The amount of interest cost capitalized on major capital projects acquired/constructed with proceeds of restricted tax-exempt debt includes all interest cost of the borrowing less any interest earned on related interest-bearing investments acquired with proceeds of the related tax-exempt borrowings from the date of the borrowing until the assets are ready for their intended use.

P. PREPAID ITEMS

Prepaid items in the Enterprise Funds consist of unexpired portions of insurance premiums paid by these funds.

Q. RESTRICTED ASSETS

Certain proceeds of enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. Also, cash deposited in a special water and sewer deposit account has been restricted to provide for the return of customer utility deposits.

(2) PROPERTY TAXES

A. MILLAGE

Taxes are levied on November 15 and payable by December 31. The Jefferson Davis Parish Sheriff's Office bills and collects the property taxes on behalf of the City. The property tax millage in effect at June 30, 2003 according to Ordinance No. 1478, was as follows:

General Alimony	7.62	Mills
Street Maintenance	8.96	
Library Maintenance	<u>4.01</u>	
Total	<u>20.59</u>	Mills

There are no material taxes receivables as of June 30, 2003 as all taxes have either been collected or properties have been seized and sold.

(3) REQUIRED INDIVIDUAL FUND DISCLOSURES

Generally accepted accounting principles require disclosures, as part of the Combined Statements - Overview, of certain other information concerning individual funds including:

CITY OF JENNINGS, LOUISIANA

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A. Excesses of expenditures and/or expenses and other uses over appropriations in individual funds-

Utility Fund expenses of \$1,754,677 exceeded appropriations of \$1,725,489.

Perpetual Care Fund expenditures of \$312 exceeded appropriations of \$280.

Library Fund expenditures of \$184,830 exceeded appropriations of \$174,009.

Zigler Complex Fund expenditures of \$91,262 exceeded appropriations of \$88,028.

B. Individual funds with deficit fund balance or retained earnings at June 30, 2003-

None.

C. Individual fund interfund receivable and payable balances:

Such balances at June 30, 2003 were-

<u>FUND</u>	<u>INTERFUND RECEIVABLE</u>	<u>INTERFUND PAYABLE</u>
General Fund:	\$ 115,206	\$ -
Special Revenue Funds:		
Street Fund	12,969	-
Library Fund	37,351	-
Perpetual Care Fund	3,222	-
Capital Improvements Fund	158,866	-
1994 1% Sales Tax Fund	322,897	-
Enterprise Funds:		
Utility Fund	208,136	374
Zigler Complex Fund	94,457	-
Fiduciary Funds:		
Clearing Fund	-	952,730
	<u>\$ 953,104</u>	<u>\$ 953,104</u>

(4) CHANGES IN LONG-TERM DEBT

The following table summarizes the changes in long-term obligations during the year ended June 30, 2003:

	<u>Hancock Bank Bonds Payable</u>	<u>Hibernia Certificate of Indebtedness</u>	<u>DEQ Bond Payable</u>	<u>Accumulated Unpaid Leave</u>	<u>Totals</u>
Balance, June 30, 2002	\$ -	\$ 985,000	\$ 4,980,000	\$ 78,387	\$6,043,387
Additions	850,000	-	-	74,916	924,916
Retirements	-	(985,000)	(290,000)	(78,387)	(1,353,387)
Balance, June 30, 2003	<u>\$ 850,000</u>	<u>\$ -</u>	<u>\$ 4,690,000</u>	<u>\$ 74,916</u>	<u>\$5,614,916</u>

On December 1, 1995, the City entered into a loan and pledge agreement with the Department of Environmental Quality (DEQ) of the State of Louisiana and issued a Public Improvement Sales Tax Bond

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in the total amount of \$6,500,000. The bond shall bear interest at a rate of two and forty-five one hundredths percent (2.45%) per annum on the outstanding principal balance. In addition, an administrative fee of one-half of one percent (0.5%) per annum on the outstanding principal balance; for a combine rate of two and ninety-five one hundredths percent (2.95%) per annum on the outstanding principal balance.

This bond was issued to provide funding necessary to construct a new wastewater treatment facility and improve and repair existing lift stations and distribution system.

The project was completed and put into operation in 1998. The final bond proceeds were received and the permanent loan period began and is scheduled to continue through March 1, 2016. During this period, scheduled payments of interest will be due on March 1 and September 1 and principal will be due on March 1 of each year.

The agreement requires the pledge of the revenue derived from the 1994 1% sales tax to insure repayment of the bond and its interest. In addition, the agreement requires that user charges be imposed on the recipients of the wastewater treatment facilities sufficient to operate and maintain the system, including any necessary replacement of portions of the system. The proceeds received from this bond, as well as all future proceeds, were, and will be, deposited into the City's utility fund which is responsible for operating and maintaining the wastewater treatment system. Sales tax revenue sufficient to pay the principal and interest of this bond will be transferred to the utility fund and this fund will be primarily responsible for making payments of interest and principal. As additional security, the agreement requires the establishment of a sinking and reserve fund (Note 8).

The City Council has authorized and issued Refunding Bonds, Series 2003 to Hancock Bank in the amount of \$850,000. The proceeds of this issue were used to fund the premature redemption of the Certificate of Indebtedness, together with accrued interest thereon, held by the Bank of New York and associated costs with the issuance. These bonds are secured by and payable from a pledge and dedication of the excess of annual revenues of the City above statutory, necessary and usual charges, and any other sources of revenue which maybe transferred to the General Fund of the City to pay the debt service on the Bonds.

The bonds shall bear interest at the rate of two and eighty-five one-hundreds percent (2.85%) per annum. Interest shall be due and payable on October 1 and April 1 of each year beginning October 1, 2003. The principal of the Bonds shall mature serially on April 1 of each year beginning on April 1, 2004. The bonds are non-callable for early redemption.

The annual requirements to amortize all bonds payable as of June 30, 2003, including interest of \$1,094,883 are as follows:

<u>Year</u>	<u>Hancock Bank Bonds Payable</u>	<u>DEQ Bonds Payable</u>	<u>Total Obligations</u>
2004	\$ 175,188	\$ 438,355	\$ 613,543
2005	184,808	439,505	624,313
2006	190,105	440,360	630,465
2007	185,118	440,920	626,038
2008	185,130	436,185	621,315
2009-2013	-	2,205,313	2,205,313
2014 to Maturity	-	1,313,898	1,313,898
	<u>\$ 920,348</u>	<u>\$ 5,714,535</u>	<u>\$ 6,634,883</u>

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(5) PENSION PLANS

Substantially all employees of the City of Jennings, are members of the following statewide retirement systems: Municipal Employees Retirement System of Louisiana, Municipal Police Employees Retirement System of Louisiana, Firefighters' Retirement System of Louisiana, or Louisiana State Employees Retirement System. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information relative to each plan follows:

**A. Municipal Employees Retirement System of Louisiana (System)**

***Plan Description.*** The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the municipality, except for policemen, firemen and the City Judge, are members of Plan B.

All permanent employees working at least 35 hours per week who are not covered by another pension plan and are paid wholly or in part from municipal funds and all elected municipal officials are eligible to participate in the System. Under Plan B, employees who retire at or after age 60 with at least 10 years of creditable service at or after age 55 with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 2 percent of their final-average monthly salary in excess of \$100 for each year of creditable service. Furthermore employees with at least 10 years of creditable service, but less than 30 years, may take early retirement benefits commencing at or after age 60, with the basic benefit reduced 3 percent for each year retirement precedes age 62, unless he has at least 30 years of creditable service. In any case, monthly retirement benefits paid under Plan B cannot exceed 100 per cent of final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Employees Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, Louisiana 70809, or by calling (225) 925-4810.

***Funding Policy.*** Under Plan B, members are required by state statute to contribute 5.0 percent of their annual covered salary and the City of Jennings is required to contribute at an actuarially determined rate. The current rate is 6.25 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the City of Jennings are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The City of Jennings contributions to the System under Plan B for the years ending June 30, 2003, 2002, and 2001, were \$78,970, \$56,909, and \$56,488, respectively, equal to the required contributions for each year.

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**B. Municipal Police Employees Retirement System of Louisiana (System)**

***Plan Description.*** All full-time police department employees engaged in law enforcement are required to participate in the System. Employees who retire at or after age 50 with at least 20 years of creditable service or at or after age 55 with at least 12 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 1/3 percent of their final-average salary for each year of creditable service. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Police Employees Retirement System of Louisiana, 8401 United Plaza Boulevard, Baton Rouge, Louisiana 70809-2250, or by calling (225) 929-7411.

***Funding Policy.*** Plan members are required by state statute to contribute 7.5 percent of their annual covered salary and the City of Jennings is required to contribute at an actuarially determined rate. The current rate is 9.0 percent of annual covered payroll. The contribution requirements of plan members and the City of Jennings are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The City of Jennings contributions to the System for the years ended June 30, 2003, 2002, and 2001, were \$78,989, \$83,176, and \$75,996, respectively, equal to the required contributions for each year.

**C. Firefighters' Retirement System of Louisiana**

***Plan Description.*** Membership in the Louisiana Firefighters' Retirement System is mandatory for all full-time firefighters employed by a municipality, parish, or fire protection district that did not enact an ordinance before January 1, 1980, exempting itself from participation in the System. Employees are eligible to retire at or after age 55 with at least 12 years of creditable service or at or after age 50 with at least 20 years of creditable service. Upon retirement, members are entitled to a retirement benefit, payable monthly for life, equal to 3 1/3 percent of their final-average salary for each year of creditable service, not to exceed 100 percent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 (or at or after age 50 with at least 20 years of creditable service at termination) and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Firefighters' Retirement System, Post Office Box 94095, Baton Rouge, Louisiana 70804, or by calling (225) 925-4060.

***Funding Policy.*** Plan members are required by state statute to contribute 8.0 percent of their annual covered salary and the City of Jennings is required to contribute at an actuarially determined rate. The current rate is 18.25 percent of annual covered payroll. The contribution requirements of plan members

CITY OF JENNINGS, LOUISIANA

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and the City of Jennings are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The City of Jennings' contributions to the System for the year ending June 30, 2003, 2002, and 2001, were \$21,726, \$17,002, and \$18,251, respectively, equal to the required contributions for each year.

**D. Louisiana State Employees Retirement System**

**Plan Description.** The City contributes to this plan on behalf of the city judge of the City Court of Jennings (Ward 2). This is a cost-sharing multiple-employer defined benefit pension that provides for retirement and disability benefits and death benefits to plan members and beneficiaries. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana State Employees Retirement System, P.O. Box 44213, Capitol Station, Baton Rouge, Louisiana 70804-4213 or by calling 1-800-256-3000.

**Funding Policy.** Plan members are required by state statute to contribute 11.5 percent of their annual covered salary and the City of Jennings is required to contribute at an actuarially determined rate. The current rate is 14.1 percent of annual covered payroll. The contribution requirements of plan members and the City of Jennings are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The City of Jennings contributions to the System for the years ending June 30, 2003, 2002 and 2001, were \$942, \$800, and \$834, respectively, equal to the required contributions for each year.

**(6) LANDFILL JOINT VENTURE**

The City is a participant in a joint venture referred to as the Jefferson Davis Parish Sanitary Landfill Commission. This entity was chartered on February 17, 1984. The Commission's purpose is the establishment of a long-term plan for the disposal of solid wastes in Jefferson Davis Parish. According to the charter, each participant in the Commission is responsible for a pro rata share of any operating deficits. Likewise, any distributions of surpluses are also shared on a pro rata basis. Each participants pro rata share is based on the number of households within each participant's unit to the total number of households within all participating units. These proportions were determined using the 1980 U. S. Census as follows:

<u>Locality</u>	<u>Number of Households</u>	<u>Percentages</u>
Jennings	4,161	.421196
Welsh	1,167	.118129
Lake Arthur	1,212	.122684
Parish (excluding Jennings, Welsh, Lake Arthur, & Elton)	<u>3,339</u>	<u>.337991</u>
Totals	<u>9,879</u>	<u>1.000000</u>

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The Commission consists of six commissioners as follows: two residents of Jennings, one resident of Welsh, one resident of Lake Arthur, and two residents of Jefferson Davis Parish living outside the city limits of the Jennings, Welsh, Lake Arthur and Elton. The Commission members are to be appointed by the governing body of their place of residence.

The Commission has the power and authority to employ personnel, adopt its own budget and enter into agreements necessary for the operation of the Landfill. In certain instances, some agreements must be consented to by all six members of the Commission.

Condensed financial information for the Jefferson Davis Parish Sanitary Landfill as of December 31, 2002 (the latest available audited financial statements) were as follows:

	<u>Total</u>	<u>Jennings (42.1196%)</u>
Total assets	\$ 3,768,504	\$ 1,587,279
Total liabilities	44,605	18,787
Total Equity	3,723,899	1,568,491
Total liabilities and equity	3,768,504	1,587,279
Total revenues	853,967	359,687
Total expenditures	797,326	335,831
Net increase in fund balance	56,641	23,857

As of December 31, 2002, the Commission had no long-term debt outstanding.

For the year ended June 30, 2003, the City received \$105,299 from this Commission as its proportionate distribution, plus \$10,000 for economic development.

(7) CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	<u>Balance July 1, 2002</u>	<u>Additions &amp; Transfers In</u>	<u>Deletions &amp; Transfers Out</u>	<u>Balance June 30, 2003</u>
Land	\$ 1,246,833	\$ 40,000	\$ -	\$ 1,286,833
Buildings & Improvements	2,961,556	85,594	-	3,047,150
Machinery & Equipment	3,205,024	230,867	112,742	3,323,149
	<u>\$ 7,413,413</u>	<u>\$ 356,461</u>	<u>\$ 112,742</u>	<u>\$ 7,657,132</u>

CITY OF JENNINGS, LOUISIANA  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2003

**(8) RESTRICTED ASSETS AND RESERVED RETAINED EARNINGS/FUND BALANCES**

At June 30, 2003 restricted assets consisted of the following:

Cash-Water & Sewer Deposit Account	\$ 2,545
Investment-Certificate of Deposit, Water & Sewer Deposit Account	150,000
Investment, Certificate of Deposit, Utility Fund	<u>584,004</u>
Total	<u>\$ 736,549</u>

The Water and Sewer Deposit account assets, a component of the Utility Fund, are restricted to pay customer deposits in the amount of \$153,150 at June 30, 2003. When a customer withdraws from the system, this deposit is refunded less the amount of any charges outstanding against the account. Due to the shortage of restricted assets available to refund customer deposits, \$2,653 of retained earnings has been reserved, which represents the excess of customer deposits over assets restricted for that purpose.

During the fiscal year ended June 30, 1996, the City issued a bond to the Department of Environmental Quality (DEQ) of the State of Louisiana to acquire funds necessary to construct a new wastewater treatment facility. A requirement of the loan and pledge agreement was the establishment of a sinking fund and reserve fund to insure the payment of the bond principal and interest. Since the project was completed in 1998, the permanent loan period has commenced. During this period, the agreement requires that an amount equal to the accrued interest and a prorata portion of the principal maturing must be established in the Sinking Fund until paid. In addition, a sum equal to 25% of the amount established in the Sinking Fund must be established in the Reserve Fund. Based on the current amortization schedule for principal and interest, the City must establish a Sinking Fund in the amount of \$142,701 and a reserve fund in the amount of \$441,303; for an aggregate required reserve of \$584,004. The City has restricted \$584,004 of investments in certificates of deposit that it has with Jeff Davis Bank to comply with the terms of the agreement.

**(9) CASH AND INVESTMENTS**

State statues authorized the City to invest in United States bonds, treasury notes, certificates or other obligations of the United States of America, time certificates of deposit of state banks of Louisiana or national banks having their principal office in the State of Louisiana, or any other federally insured investment, and mutual funds regulated by the Investment Act of 1940 which invest in U. S. Treasury Securities.

The City's cash and investments (Certificates of Deposit) as of June 30, 2003 deposited with financial institutions are categorized as follows to give an indication of the level of risk at year-end as follows:

Insured (FDIC)	\$ 346,996
Uncollateralized (Fiscal agents' securities are pledged to the City and held by the fiscal agents' third part agent institution)	<u>4,433,299</u>
Total-Bank Balance	<u>\$ 4,780,295</u>

CITY OF JENNINGS, LOUISIANA  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2003

As of June 30, 2003, the City had investments with the Louisiana Asset Management Pool (LAMP) totaling \$980,766, which approximates fair value of the securities.

**(10) RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has elected to purchase insurance coverage through the commercial insurance market to cover its exposure to loss. The City is insured up to policy limits for each of the above risks. There were no significant changes in coverages, retentions, or limits during the year ended June 30, 2003. Settled claims have not exceeded the commercial coverages in any of the previous three fiscal years.

**(11) LITIGATION**

The City is involved in law suits for personal injury and overtime pay for police officers. In the opinion of the City's attorney, these suits are without merit and/or adequately covered by liability insurance presently enforce by the City, except for policy deductibles and overtime claims which are considered to be immaterial.

A law suit for personal injury was filed in which the City was not named as a defendant but includes allegations that the City was at fault. Also, two lawsuits have been filed by female police officers alleging sexual harassment and misconduct by male police officers. The City's exposure on these suits is unknown.

**(12) FIXED ASSETS**

A summary of changes in Proprietary Fund Type Fixed Assets follows:

	Balance <u>July 1, 2002</u>	Additions & Transfers In	Deletions & Transfers Out	Balance <u>June 30, 2003</u>
Land	\$ 211,021	\$ -	\$ -	\$ 211,021
Sewer Distribution System	7,408,840	-	-	7,408,840
Buildings & Improvements	2,350,731	36,050	-	2,386,781
Machinery & Equipment	3,805,485	550,202	11,624	4,344,063
Furniture & Fixtures	28,114	-	-	28,114
Construction in Progress	226,854	-	226,854	-
	<u>\$ 14,031,045</u>	<u>\$ 586,252</u>	<u>\$ 238,478</u>	<u>\$ 14,378,819</u>

CITY OF JENNINGS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2003

A summary of proprietary fund type (Utility Fund and Zigler Complex Fund) property, plant and equipment at June 30, 2003 follows:

	Utility Fund	Zigler Complex Fund	Total
Land	\$ 211,021	\$ -	\$ 211,021
Sewer Distribution System	7,408,840	-	7,408,840
Buildings & Improvements	1,948,430	438,351	2,386,781
Machinery & Equipment	4,344,063	-	4,344,063
Furniture & Fixtures	-	28,114	28,114
Construction in Progress	-	-	-
<b>Total</b>	<b>\$ 13,912,354</b>	<b>\$ 466,465</b>	<b>\$ 14,378,819</b>
Less: Accumulated Depreciation	4,047,917	352,163	4,400,080
<b>Net</b>	<b>\$ 9,864,437</b>	<b>\$ 114,302</b>	<b>\$ 9,978,739</b>

Depreciation for the year ended June 30, 2003 was \$370,728.

(13) COMPENSATION PAID TO MAYOR AND CITY COUNCIL

Greg Marcantel, Mayor	\$ 36,143
Michael Mire	6,000
Clarence Levy, Jr.	6,000
Wilfred A. Menard	6,000
Artie Berry	6,000
Wilbert L. Gilbeaux	6,000
<b>Total</b>	<b>\$ 66,143</b>

(14) SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The City maintains two enterprise funds which provide utilities (water and sewer) and an office/apartment complex. Segment information for the year ended June 30, 2003 was as follows:

	Public Utility	Office/ Apartment Complex	Total Enterprise Funds
Operating Revenues	\$ 1,356,303	\$ 71,677	\$ 1,427,980
Depreciation	347,131	23,597	370,728
Operating Income (Loss)	(398,374)	(19,585)	(417,959)
Operating Transfers:			
In	693,028	-	693,028
Out	(125,000)	-	(125,000)
Net Income (Loss)	9,941	(18,196)	(8,255)
Property, Plant & Equipment:			
Additions & Transfers In	586,252	-	586,252
Deletions & Transfers Out	238,478	-	238,478
Net Working Capital	732,486	94,115	826,601
Total Assets	11,299,744	209,862	11,509,606
Bonds Payable	5,540,000	-	5,540,000
Total Equity	5,511,923	208,417	5,720,340

CITY OF JENNINGS, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2003

**(15) FEDERAL GRANT**

The City participates in a federally assisted grant programs. These programs are subject to the program compliance audits by the grantors. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. The City's management feels such disallowances, if any, will be immaterial. During the current fiscal year, expenditures of federal funds did not exceed \$300,000, and therefore, the City was not subject to the provisions of the Single Audit Act Amendments of 1996.

**(16) CONTRIBUTED CAPITAL**

Contributed capital is recorded in the Enterprise Fund for capital grants restricted for the acquisition or construction of capital assets. Contributed capital is not amortized based on the depreciation recognized on that portion of the assets acquired or constructed from such resources.

**(17) ON-BEHALF PAYMENTS FOR SALARIES**

During 1996 the City implemented GASB Statement No. 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance*. This standard requires the City to report in the financial statements on-behalf salary payments made by the State of Louisiana to certain groups of city employees. Supplementary salary payments are made by the state directly to certain groups of employees. The City is not legally responsible for these salaries. Therefore, the basis for recognizing the revenue and expenditure payments is the actual contribution made by the state. For 2003, the state paid supplemental salaries to the City's police, firemen and city marshal. On-behalf payments recorded as revenues and expenditures in the general fund financial statements for 2003 totaled \$122,166.

**(18) NEW REPORTING STANDARD**

In June, 1999, the Governmental Accounting Standards Board (GASB) issued Statement 34 "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments." This Statement establishes new financial reporting requirements for state and local governments throughout the United States. When implemented, it will require new information and restructure much of the information that governments have presented in the past. Comparability with reports issued in all prior years will be affected. The City is required to implement this standard for the fiscal year ended June 30, 2004. The City has not yet determined the full impact that adoption of GASB Statement 34 will have on the financial statements.

**FINANCIAL STATEMENTS OF INDIVIDUAL FUNDS  
AND ACCOUNT GROUPS**

## GENERAL FUND

To account for resources traditionally associated with governments which are not required to be accounted for in another fund and to account for the receipt and use or transfer of 86% (changed in fiscal 1994 from 60%) of the proceeds of the City's 1% Sales and Use tax. These taxes are dedicated to: Establishing, acquiring, constructing, improving, operating & maintaining (1) streets, sidewalks, and bridges; (2) drains & drainage facilities; (3) waterwork facilities; (4) sewer & sewerage disposal works; (5) garbage & solid waste facilities; (6) public parks and recreational facilities; (7) fire department stations and equipment, including firetrucks; (8) police department stations and equipment, and furnishings for any of the aforesaid public works, improvements and facilities, including salaries of City employees.

## CITY OF JENNINGS, LOUISIANA

GENERAL FUND  
COMPARATIVE BALANCE SHEET  
JUNE 30, 2003 AND 2002

	<u>JUNE 30,</u> <u>2003</u>	<u>JUNE 30,</u> <u>2002</u>
<b><u>ASSETS</u></b>		
<b><u>ASSETS:</u></b>		
Cash	\$ 36,193	\$ 39,620
Investments, at Cost	1,600,000	1,550,000
Accounts Receivables	155,674	151,648
Accounts Receivables-Other	170,681	150,765
Inventory	31,482	36,307
Due from Other Funds	115,206	760
	<u>115,206</u>	<u>760</u>
Total Assets	<u>\$ 2,109,236</u>	<u>\$ 1,929,100</u>
<b><u>LIABILITIES AND FUND BALANCE</u></b>		
<b><u>LIABILITIES:</u></b>		
Accounts Payable	\$ 57,697	\$ 78,121
Accrued Liabilities	2,484	-
Due to Clearing Fund	-	-
	<u>-</u>	<u>-</u>
Total Liabilities	<u>\$ 60,181</u>	<u>\$ 78,121</u>
<b><u>FUND BALANCE:</u></b>		
Reserved for Inventory	\$ 31,482	\$ 36,307
Unreserved	2,017,573	1,814,672
	<u>2,017,573</u>	<u>1,814,672</u>
Total Fund Balance	<u>\$ 2,049,055</u>	<u>\$ 1,850,979</u>
Total Liabilities and Fund Balance	<u>\$ 2,109,236</u>	<u>\$ 1,929,100</u>

CITY OF JENNINGS, LOUISIANA  
 GENERAL FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002

	JUNE 30, 2003		VARIANCE FAVORABLE (UNFAVORABLE)	JUNE 30, 2002 ACTUAL
	BUDGET	ACTUAL		
<b>REVENUES:</b>				
Taxes-				
Ad Valorem	\$ 285,000	\$ 308,941	\$ 23,941	\$ 291,680
1% Sales Tax	1,544,130	1,508,721	(35,409)	1,490,731
Utility Franchise	540,000	570,849	30,849	556,620
Licenses and Permits-				
Occupational Licenses	315,000	328,002	13,002	332,838
Beer & Liquor Licenses	-	-	-	-
Building Permits	30,000	33,625	3,625	33,773
Intergovernmental Revenue-				
Tobacco Tax	-	-	-	-
Beer Tax	16,000	27,352	11,352	9,306
Grant Revenue	149,873	107,309	(42,564)	105,703
Supplemental Pay	136,800	122,166	(14,634)	143,500
Payments in Lieu of Taxes	4,000	5,671	1,671	5,320
Fire Protection-Parish	20,000	20,000	-	20,000
Charges for Services	384,000	379,757	(4,243)	374,375
Fines and Forfeits	66,000	89,792	23,792	86,462
Interest Income	45,000	38,744	(6,256)	51,183
Rents & Royalties	60,000	85,102	25,102	84,986
Gift Shop Sales	40,000	43,494	3,494	43,973
Museum Fees	11,000	11,824	824	11,215
DOC Prisoner Program	60,000	69,678	9,678	99,321
Theater Revenue	9,500	9,191	(309)	7,273
Miscellaneous	145,943	176,806	30,863	173,700
Total Revenues	<u>\$ 3,862,246</u>	<u>\$ 3,937,024</u>	<u>\$ 74,778</u>	<u>\$ 3,921,959</u>
<b>EXPENDITURES:</b>				
Current:				
General Government	\$ 725,683	\$ 701,156	\$ 24,527	\$ 683,288
Public Safety	2,622,824	2,543,189	79,635	2,573,498
Public Works	106,640	96,581	10,059	98,251
Sanitation	292,705	297,260	(4,555)	286,174
Culture-Recreation	478,930	428,832	50,098	428,413
Other	58,020	43,596	14,424	43,526
Total Expenditures	<u>\$ 4,284,802</u>	<u>\$ 4,110,614</u>	<u>\$ 174,188</u>	<u>\$ 4,113,150</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (422,556)</u>	<u>\$ (173,590)</u>	<u>\$ 248,966</u>	<u>\$ (191,191)</u>
Other Financing Sources (Uses):				
Operating Transfers in From:				
Utility Fund	\$ 371,666	\$ 371,666	\$ -	\$ 413,854
Total Other Financing Sources (Uses)	<u>\$ 371,666</u>	<u>\$ 371,666</u>	<u>\$ -</u>	<u>\$ 413,854</u>
Excess (Deficiency) of Revenues And Other Sources Over Expenditures	<u>\$ (50,890)</u>	<u>\$ 198,076</u>	<u>\$ 248,966</u>	<u>\$ 222,663</u>
Unreserved Fund Balance-Beginning	\$ 1,814,672	\$ 1,814,672	\$ -	\$ 1,586,738
Add:				
Decrease in Reserves	36,307	36,307	-	41,578
Less:				
Reserve for Inventory	(31,482)	(31,482)	-	(36,307)
Reserve for Prepaid Expenses	-	-	-	-
Unreserved Fund Balance-Ending	<u>\$ 1,768,607</u>	<u>\$ 2,017,573</u>	<u>\$ 248,966</u>	<u>\$ 1,814,672</u>

CITY OF JENNINGS, LOUISIANA

GENERAL FUND  
STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2002

	JUNE 30, 2003		VARIANCE FAVORABLE (UNFAVORABLE)	JUNE 30, 2002 ACTUAL
	BUDGET	ACTUAL		
<b>GENERAL GOVERNMENT:</b>				
<b>LEGAL DEPARTMENT:</b>				
Salaries	\$ 98,847	\$ 99,059	\$ (212)	\$ 97,806
Employee Benefits	23,094	24,356	(1,262)	21,549
Office Supplies	3,500	3,299	201	3,492
Legal Expense	15,000	23,567	(8,567)	8,544
Coroner Expense	10,000	11,141	(1,141)	7,718
Audit Fee	840	936	(96)	1,151
Postage & Freight	210	480	(270)	255
Insurance	3,502	3,492	10	3,819
Utilities	2,000	2,150	(150)	1,460
Capital Improvements	-	-	-	-
Miscellaneous	9,700	10,201	(501)	10,216
Total Legal Department	\$ 166,693	\$ 178,681	\$ (11,988)	\$ 156,010
<b>FINANCE DEPARTMENT:</b>				
Salaries	\$ 290,586	\$ 269,580	21,006	\$ 279,893
Employee Benefits	54,988	52,601	2,387	49,074
Office Supplies	11,500	8,607	2,893	10,131
Repairs & Maintenance	6,500	5,551	949	3,673
Audit Fee	3,360	3,743	(383)	4,602
Tax Roll Expense	6,300	6,177	123	5,832
Postage & Freight	1,350	1,570	(220)	1,466
Travel & Meals	2,000	3,919	(1,919)	1,557
Seminars & Workshops	2,500	1,188	1,312	546
LMA Expense	5,000	1,947	3,053	4,208
Gas & Oil	5,000	4,034	966	4,129
Publishing & Printing	6,000	3,676	2,324	2,650
Insurance	17,590	15,774	1,816	17,764
Utilities	7,000	6,492	508	7,368
Miscellaneous	19,050	9,543	9,507	18,652
Total Finance Department	\$ 438,724	\$ 394,402	\$ 44,322	\$ 411,545
<b>ADMINISTRATIVE BUILDING:</b>				
Salaries	\$ 21,227	\$ 19,752	\$ 1,475	\$ 19,282
Employees Benefits	4,592	4,439	153	3,851
Repairs & Maintenance	1,800	1,513	287	1,202
Audit Fee	420	471	(51)	575
Postage & Freight	140	220	(80)	170
Gas & Oil	900	1,120	(220)	922
Insurance	3,803	3,862	(59)	3,279
Utilities	12,000	13,249	(1,249)	14,423
Total Administrative Building	\$ 44,882	\$ 44,626	\$ 256	\$ 43,704
<b>PUBLIC FACILITIES BUILDING</b>				
Salaries	\$ 34,204	\$ 35,773	\$ (1,569)	\$ 32,973
Employee Benefits	5,763	6,133	(370)	5,259
Supplies	50	57	(7)	-
Repairs & Maintenance	7,000	13,499	(6,499)	7,147
Janitorial	1,500	1,505	(5)	1,298
Audit Fees	840	936	(96)	1,151
Postage & Freight	140	220	(80)	170
Insurance	4,887	5,560	(673)	4,167
Utilities	21,000	19,764	1,236	19,864
Capital Improvements	-	-	-	-
Total Facilities Building	\$ 75,384	\$ 83,447	\$ (8,063)	\$ 72,029
Total General Government	\$ 725,683	\$ 701,156	\$ 24,527	\$ 683,288

CITY OF JENNINGS, LOUISIANA

GENERAL FUND  
STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
WITH COMPARATIVE AMOUNTS FOR YEAR ENDED JUNE 30, 2002

	JUNE 30, 2003			JUNE 30, 2002 ACTUAL
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	
<b>PUBLIC SAFETY:</b>				
<b>POLICE DEPARTMENT</b>				
Salaries	\$ 1,019,601	\$ 988,008	\$ 31,593	\$ 1,020,721
Overtime	198,677	213,519	(14,842)	212,352
Employee Benefits	174,673	172,928	1,745	173,152
Office Supplies	18,080	21,260	(3,180)	19,970
Repairs & Maintenance	39,000	35,269	3,731	39,687
Audit Fee	2,940	3,275	(335)	4,027
Postage & Freight	830	1,056	(226)	921
Travel & Meals	10,000	7,631	2,369	6,765
Seminars & Workshops	10,000	4,854	5,146	5,975
Gas & Oil	25,000	27,403	(2,403)	27,998
Publishing & Printing	750	444	306	787
Insurance	103,466	111,218	(7,752)	109,610
Utilities	20,000	25,315	(5,315)	22,213
Equipment	31,374	22,948	8,426	62,287
Grant Expenses	-	-	-	5,217
Uniforms & Miscellaneous	156,035	165,248	(9,213)	168,206
Total Police Department	\$ 1,810,426	\$ 1,800,376	\$ 10,050	\$ 1,879,888
<b>SAFETY BUILDING:</b>				
Salaries	\$ 10,067	\$ 10,185	\$ (118)	\$ 9,278
Employee Benefits	790	799	(9)	728
Supplies	1,500	2,392	(892)	1,149
Repairs & Maintenance	3,500	4,153	(653)	2,524
Audit Fee	840	936	(96)	1,151
Postage & Freight	140	220	(80)	170
Insurance	4,357	5,063	(706)	3,420
Utilities	40,000	35,888	4,112	34,212
Total Safety Building	\$ 61,194	\$ 59,636	\$ 1,558	\$ 52,632
<b>FIRE DEPARTMENT:</b>				
Salaries	\$ 360,015	\$ 342,011	\$ 18,004	\$ 329,997
Overtime	34,415	33,296	1,119	28,232
Employee Benefits	112,158	77,864	34,294	68,017
Supplies	8,250	9,182	(932)	6,090
Repairs & Maintenance	28,100	26,914	1,186	22,637
Equipment	35,183	28,450	6,733	30,700
Audit Fee	2,800	3,119	(319)	3,836
Postage & Freight	780	998	(218)	786
Travel & Meals	4,000	4,851	(851)	1,979
Seminars & Workshops	7,000	4,349	2,651	4,468
Gas & Oil	7,000	6,720	280	5,986
Insurance	50,582	52,371	(1,789)	49,892
Utilities	13,000	12,174	826	10,472
Rentals	1,500	1,500	-	1,500
Miscellaneous	52,461	48,189	4,272	40,387
Total Fire Department	\$ 717,244	\$ 651,988	\$ 65,256	\$ 604,979

CITY OF JENNINGS, LOUISIANA

GENERAL FUND  
STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2002

	JUNE 30, 2003			JUNE 30, 2002 ACTUAL
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	
<b>DOG POUND:</b>				
Salaries	\$ 19,142	\$ 17,615	\$ 1,527	\$ 20,526
Employee Benefits	4,144	3,871	273	3,983
Supplies	2,500	2,157	343	2,081
Repairs & Maintenance	2,000	1,795	205	2,502
Audit Fee	700	780	(80)	959
Postage & Freight	140	220	(80)	170
Gas & Oil	1,250	852	398	923
Insurance	1,534	1,591	(57)	1,497
Miscellaneous	2,550	2,308	242	3,358
Total Dog Pound	\$ 33,960	\$ 31,189	\$ 2,771	\$ 35,999
Total Public Safety	\$ 2,622,824	\$ 2,543,189	\$ 79,635	\$ 2,573,498
<b>PUBLIC WORKS:</b>				
<b>GARAGE COMPLEX:</b>				
Repairs & Maintenance	\$ 4,000	\$ 4,731	\$ (731)	\$ 1,924
Audit Fee	560	624	(64)	767
Postage & Freight	140	220	(80)	170
Insurance	1,290	1,259	31	1,256
Utilities	100,650	89,747	10,903	94,134
Total Garage Complex	\$ 106,640	\$ 96,581	\$ 10,059	\$ 98,251
<b>SANITATION:</b>				
Audit Fee	\$ 840	\$ 936	\$ (96)	\$ 1,151
Postage & Freight	3,815	4,158	(343)	3,762
Solid Waste Collection & Disposal	283,000	287,338	(4,338)	276,182
Insurance	2,050	1,951	99	2,222
Miscellaneous	3,000	2,877	123	2,857
Total Sanitation	\$ 292,705	\$ 297,260	\$ (4,555)	\$ 286,174
<b>CULTURE-RECREATION:</b>				
<b>RECREATION:</b>				
Salaries	\$ 164,123	\$ 133,115	\$ 31,008	\$ 141,452
Employee Benefits	26,958	23,565	3,393	23,682
Supplies	11,000	7,221	3,779	9,626
Repairs & Maintenance	42,350	43,091	(741)	37,654
Audit Fee	840	936	(96)	1,151
Postage & Freight	350	550	(200)	444
Gas & Oil	3,500	3,744	(244)	3,744
Insurance	16,674	15,976	698	14,965
Utilities	37,000	34,359	2,641	37,335
Miscellaneous	600	90	510	146
Total Recreation	\$ 303,395	\$ 262,647	\$ 40,748	\$ 270,199
<b>TUPPER MUSEUM:</b>				
Salaries	\$ 67,185	\$ 63,758	\$ 3,427	\$ 59,920
Employee Benefits	12,732	13,701	(969)	11,619
Equipment	-	-	-	2,603
Supplies	3,500	1,828	1,672	1,867
Repairs & Maintenance	5,095	3,673	1,422	4,446
Audit Fee	840	936	(96)	1,151
Postage & Freight	400	1,214	(814)	535
Insurance	3,128	3,063	65	2,934
Utilities	10,500	9,698	802	9,219
Seminars & Workshops	300	290	10	275
Travel & Meals	400	6	394	151
Miscellaneous	48,800	48,801	(1)	45,939
Total Tupper Museum	\$ 152,880	\$ 146,968	\$ 5,912	\$ 140,659

CITY OF JENNINGS, LOUISIANA

GENERAL FUND  
STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2002

	JUNE 30, 2003			JUNE 30, 2002
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	ACTUAL
<b>STRAND THEATER:</b>				
Salaries	\$ 1,500	\$ 1,815	\$ (315)	\$ 1,466
Employee Benefits	118	143	(25)	115
Office Supplies	150	97	53	61
Repairs & Maintenance	3,400	3,771	(371)	3,369
Insurance	847	840	7	729
Audit Fees	420	468	(48)	575
Utilities	10,000	8,060	1,940	7,859
Rental	200	-	200	-
Movies & Performances	3,000	2,053	947	1,744
Advertising	750	-	750	90
Purchases	1,500	1,779	(279)	1,329
Supplies	500	5	495	138
Miscellaneous	270	186	84	80
Total Strand Theater	\$ 22,655	\$ 19,217	\$ 3,438	\$ 17,555
Total Culture-Recreation	\$ 478,930	\$ 428,832	\$ 50,098	\$ 428,413
<b>OTHER:</b>				
<b>CEMETERY:</b>				
Salaries	\$ 30,430	\$ 18,804	\$ 11,626	\$ 27,101
Employee Benefits	7,681	5,191	2,490	6,284
Repairs & Maintenance	13,890	14,894	(1,004)	4,390
Audit Fee	560	624	(64)	767
Postage & Freight	70	110	(40)	85
Gas & Oil	800	742	58	872
Insurance	3,989	2,977	1,012	3,636
Utilities	600	254	346	391
Total Cemetery	\$ 58,020	\$ 43,596	\$ 14,424	\$ 43,526
TOTAL EXPENDITURES	\$ 4,284,802	\$ 4,110,614	\$ 174,188	\$ 4,113,150

## SPECIAL REVENUE FUNDS

Street Fund - To account for the receipt of 8.96 mill tax and the expenses relating to streets, sidewalks, bridges, tree trimming and other related items.

Library Fund - To account for the receipt of 4.01 mill tax and the expenses of staffing and operating the Jennings Carnegie Public Library.

Perpetual Care Fund - To account for the receipt of funds for perpetual care of cemetery lots sold by the City and the related expenses to provide such care.

Hotel/Motel Tax Fund - To account for the receipt of funds from the hotel/motel room tax in Ward 2 of Jefferson Davis Parish which is to be used for development of culture and tourism. This fund was organized by the Jefferson Davis Police Jury as a special revenue fund for Ward 2. The Police Jury has transferred control of this fund to the City.

Capital Improvements Fund - To account for the receipt of 14% (changed in fiscal 1994 from 40%) of the City's 1% sales tax collections, the receipt of revenue sharing funds received, if any, from the federal and state governments and any other budgeted revenues and the subsequent expenditure of these funds which are dedicated to capital improvements.

1994 1% Sales Tax Fund - To account for the receipt of a 1% sales tax which was authorized in 1994. This tax is to be collected for a period not to exceed twenty-two (22) years. At least \$500,000 annually is to be used for acquiring, constructing, extending, improving, maintaining and operating sewage collection and disposal facilities for the City, and/or to pay any bonded or funded indebtedness of the City incurred for sewage collection and disposal facilities. The balance is to be used for street construction and maintenance, drainage, heavy equipment purchases, jail operations, and police pension payments. In 1998, a referendum was approved to expand the authorized uses of excess funds over previous dedication to include acquiring, constructing, improving and/or maintaining the City's waterworks facilities. It further authorized the issuing of any bonded or funded indebtedness to accomplish the expanded purpose.

CITY OF JENNINGS, LOUISIANA

SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET

JUNE 30, 2003

WITH COMPARATIVE TOTALS FOR JUNE 30, 2002

	STREET FUND	LIBRARY FUND	PERPETUAL CARE FUND	HOTEL/MOTEL TAX FUND	CAPITAL IMPROVEMENTS FUND	1994 1% SALES TAX FUND	TOTALS
							JUNE 30, 2003
							JUNE 30, 2002
<b>ASSETS:</b>							
<b>UNRESTRICTED ASSETS:</b>							
Cash	\$ -	\$ 131	\$ -	\$ 45,001	\$ -	\$ -	\$ 45,132
Accounts Receivable	2,019	904	-	-	-	-	2,923
Investments, at Cost	600,000	480,000	190,000	300,766	325,000	100,000	1,970,766
1% Sales Tax Receivable	-	-	-	-	20,724	-	20,724
Other Receivable	-	-	-	4,899	-	200,028	204,927
Due from Other Funds	12,969	37,351	3,222	-	158,866	322,897	535,305
Total Unrestricted Assets	\$ 614,988	\$ 518,386	\$ 193,222	\$ 350,666	\$ 504,590	\$ 622,925	\$ 2,804,777
<b>RESTRICTED ASSETS:</b>							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Restricted Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Assets	\$ 614,988	\$ 518,386	\$ 193,222	\$ 350,666	\$ 504,590	\$ 622,925	\$ 2,804,777
<b>LIABILITIES AND FUND BALANCE:</b>							
<b>LIABILITIES:</b>							
Retainage Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,268	\$ 39,268
Accounts Payable	17,655	3,989	-	11,595	3,786	35,713	72,738
Total Liabilities	\$ 17,655	\$ 3,989	\$ -	\$ 11,595	\$ 3,786	\$ 74,981	\$ 112,006
<b>FUND BALANCE:</b>							
Reserved for Revolving Loan Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	597,333	514,397	193,222	339,071	500,804	547,944	2,692,771
Total Fund Balance	\$ 597,333	\$ 514,397	\$ 193,222	\$ 339,071	\$ 500,804	\$ 547,944	\$ 2,692,771
Total Liabilities and Fund Balance	\$ 614,988	\$ 518,386	\$ 193,222	\$ 350,666	\$ 504,590	\$ 622,925	\$ 2,804,777
							\$ 2,513,152

CITY OF JENNINGS, LOUISIANA

SPECIAL REVENUE FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
 WITH COMPARATIVE TOTALS FOR JUNE 30, 2002

	STREET FUND	LIBRARY FUND	PERPETUAL CARE FUND	HOTEL/MOTEL TAX FUND	CAPITAL IMPROVEMENTS FUND	1994 1% SALES TAX FUND	TOTALS JUNE 30, 2003	TOTALS JUNE 30, 2002
<b>REVENUES:</b>								
Taxes	\$ 363,286	\$ 162,564	\$ -	\$ -	\$ 245,606	\$ 1,754,326	\$ 2,525,782	\$ 2,472,553
Intergovernmental Revenue	-	-	-	198,989	149,936	815,542	1,164,467	312,524
Charges for Services	-	2,146	-	-	-	-	2,146	2,491
Income from Grants	77,220	11,229	-	5,000	2,716	-	96,165	12,249
Fines and Forfeits	-	917	-	-	-	-	917	756
Miscellaneous Revenue	8,034	44,908	7,380	2,235	11,947	2,000	76,504	84,899
Interest Income	12,606	10,371	935	5,679	8,755	6,567	44,913	75,018
<b>Total Revenues</b>	<b>\$ 461,146</b>	<b>\$ 232,135</b>	<b>\$ 8,315</b>	<b>\$ 211,903</b>	<b>\$ 418,960</b>	<b>\$ 2,578,435</b>	<b>\$ 3,910,894</b>	<b>\$ 2,960,490</b>
<b>EXPENDITURES:</b>								
General Government	\$ -	\$ -	\$ 312	\$ -	\$ 177,372	\$ -	\$ 177,684	\$ 197,018
Public Works	555,315	-	-	-	36,090	1,247,014	1,838,419	976,429
Public Safety	-	-	-	-	60,423	95,197	155,620	150,172
Culture and Recreation	-	184,830	-	163,511	182,189	29,937	560,467	491,762
<b>Total Expenditures</b>	<b>\$ 555,315</b>	<b>\$ 184,830</b>	<b>\$ 312</b>	<b>\$ 163,511</b>	<b>\$ 456,074</b>	<b>\$ 1,372,148</b>	<b>\$ 2,732,190</b>	<b>\$ 1,815,381</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>\$ (94,169)</b>	<b>\$ 47,305</b>	<b>\$ 8,003</b>	<b>\$ 48,392</b>	<b>\$ (37,114)</b>	<b>\$ 1,206,287</b>	<b>\$ 1,178,704</b>	<b>\$ 1,145,109</b>
<b>Other Financing Sources (Uses):</b>								
Transfers In	\$ 174,695	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 174,695	\$ 131,200
Transfers Out	-	-	-	-	(1,240)	(1,113,149)	(1,114,389)	(1,661,974)
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 174,695</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (1,240)</b>	<b>\$ (1,113,149)</b>	<b>\$ (939,694)</b>	<b>\$ (1,530,774)</b>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	<b>\$ 80,526</b>	<b>\$ 47,305</b>	<b>\$ 8,003</b>	<b>\$ 48,392</b>	<b>\$ (38,354)</b>	<b>\$ 93,138</b>	<b>\$ 239,010</b>	<b>\$ (385,665)</b>
<b>Unreserved Fund Balance-Beginning</b>	<b>\$ 516,807</b>	<b>\$ 467,092</b>	<b>\$ 185,219</b>	<b>\$ 290,679</b>	<b>\$ 539,158</b>	<b>\$ 454,806</b>	<b>\$ 2,453,761</b>	<b>\$ 2,745,856</b>
<b>(Increase) Decrease in Reserve for Loan Program</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>93,570</b>
<b>Unreserved Fund Balance-Ending</b>	<b>\$ 597,333</b>	<b>\$ 514,397</b>	<b>\$ 193,222</b>	<b>\$ 339,071</b>	<b>\$ 500,804</b>	<b>\$ 547,944</b>	<b>\$ 2,692,771</b>	<b>\$ 2,453,761</b>

CITY OF JENNINGS, LOUISIANA  
 STREET FUND  
 COMPARATIVE BALANCE SHEET  
 JUNE 30, 2003 AND 2002

	<u>JUNE 30,</u> 2003	<u>JUNE 30,</u> 2002
<b><u>ASSETS</u></b>		
Investment, At Cost	\$ 600,000	\$ 540,000
Accounts Receivable	2,019	2,216
Due From Clearing Fund	12,969	25,938
	<hr/>	<hr/>
Total Assets	<u>\$ 614,988</u>	<u>\$ 568,154</u>
<b><u>LIABILITIES AND FUND BALANCE</u></b>		
<b>LIABILITIES:</b>		
Accounts Payable	<u>\$ 17,655</u>	<u>\$ 51,347</u>
Total Liabilities	<u>\$ 17,655</u>	<u>\$ 51,347</u>
<b>FUND BALANCE:</b>		
Unreserved	<u>\$ 597,333</u>	<u>\$ 516,807</u>
Total Liabilities and Fund Balance	<u>\$ 614,988</u>	<u>\$ 568,154</u>

## CITY OF JENNINGS, LOUISIANA

STREET FUND  
 STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2002

	JUNE 30, 2003			JUNE 30, 2002 ACTUAL
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	
<b>REVENUES:</b>				
Taxes	\$ 340,000	\$ 363,286	\$ 23,286	\$ 342,973
Miscellaneous Revenues	7,200	8,034	834	18,494
Federal Grant	80,817	77,220	(3,597)	-
Interest Income	18,000	12,606	(5,394)	18,381
Total Revenues	<u>\$ 446,017</u>	<u>\$ 461,146</u>	<u>\$ 15,129</u>	<u>\$ 379,848</u>
<b>EXPENDITURES:</b>				
<b>Public Works:</b>				
Salaries	\$ 249,103	\$ 222,277	\$ 26,826	\$ 215,780
Employee Benefits	59,317	56,560	2,757	50,168
Supplies	2,200	1,756	444	1,816
Repairs & Maintenance	180,640	180,316	324	126,109
Engineer Retainer	2,400	2,400	-	2,400
Audit Fee	1,260	1,404	(144)	1,726
Postage & Freight	730	990	(260)	765
Gas & Oil	12,500	12,152	348	9,847
Insurance	49,235	47,486	1,749	44,588
Capital Improvements	14,500	14,003	497	45,889
Equipment	17,000	457	16,543	35,539
Land Purchase	-	-	-	-
Tax Roll Expense	7,000	7,264	(264)	6,857
CDL Expense	250	-	250	-
Miscellaneous	9,400	8,250	1,150	6,739
Total Expenditures	<u>\$ 605,535</u>	<u>\$ 555,315</u>	<u>\$ 50,220</u>	<u>\$ 548,223</u>
Excess of (Deficiency) Revenues Over Expenditures	<u>\$ (159,518)</u>	<u>\$ (94,169)</u>	<u>\$ 65,349</u>	<u>\$ (168,375)</u>
<b>OTHER FINANCING SOURCES:</b>				
Transfers from 1994 1% Sales Tax	<u>\$ 174,695</u>	<u>\$ 174,695</u>	<u>\$ -</u>	<u>\$ 130,000</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures	<u>\$ 15,177</u>	<u>\$ 80,526</u>	<u>\$ 65,349</u>	<u>\$ (38,375)</u>
Unreserved Fund Balance-Beginning	<u>\$ 516,807</u>	<u>\$ 516,807</u>	<u>\$ -</u>	<u>\$ 555,182</u>
Unreserved Fund Balance-Ending	<u>\$ 531,984</u>	<u>\$ 597,333</u>	<u>\$ 65,349</u>	<u>\$ 516,807</u>

## CITY OF JENNINGS, LOUISIANA

LIBRARY FUND  
COMPARATIVE BALANCE SHEET  
JUNE 30, 2003 AND 2002

	<u>JUNE 30,</u> <u>2003</u>	<u>JUNE 30,</u> <u>2002</u>
<b><u>ASSETS</u></b>		
Cash	\$ 131	\$ 131
Investment, At Cost	480,000	425,000
Accounts Receivable	904	992
Due From Clearing Fund	<u>37,351</u>	<u>42,155</u>
Total Assets	<u>\$ 518,386</u>	<u>\$ 468,278</u>
 <b><u>LIABILITIES AND FUND BALANCE</u></b>		
<b>LIABILITIES:</b>		
Accounts Payable	<u>\$ 3,989</u>	<u>\$ 1,186</u>
Total Liabilities	<u>\$ 3,989</u>	<u>\$ 1,186</u>
 <b>FUND BALANCE:</b>		
Unreserved	<u>\$ 514,397</u>	<u>\$ 467,092</u>
Total Liabilities and Fund Balance	<u>\$ 518,386</u>	<u>\$ 468,278</u>

## CITY OF JENNINGS, LOUISIANA

LIBRARY FUND  
 STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2002

	JUNE 30, 2003			JUNE 30, 2002 ACTUAL
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	
<b>REVENUES:</b>				
Taxes	\$ 150,000	\$ 162,564	\$ 12,564	\$ 153,496
Charges for Services	2,000	2,146	146	2,491
Fines & Forfeits	700	917	217	756
Miscellaneous Revenue	36,800	44,908	8,108	36,615
Grant Revenue	11,229	11,229	-	12,249
Interest Income	15,000	10,371	(4,629)	13,883
Total Revenues	<u>\$ 215,729</u>	<u>\$ 232,135</u>	<u>\$ 16,406</u>	<u>\$ 219,490</u>
<b>EXPENDITURES:</b>				
<b>Culture &amp; Recreation:</b>				
Salaries	\$ 81,898	\$ 78,614	\$ 3,284	\$ 75,702
Employee Benefits	14,881	15,267	(386)	13,281
Books	17,000	16,359	641	17,055
Office Supplies & Equipment	4,100	2,131	1,969	3,238
New Equipment	2,000	1,425	575	3,995
Repairs & Maintenance	4,700	4,084	616	6,579
Capital Improvements	12,000	34,656	(22,656)	-
Audit Fee	1,260	1,404	(144)	1,726
Postage & Freight	690	995	(305)	817
Insurance	5,196	5,209	(13)	4,815
Utilities	8,300	6,573	1,727	6,605
Seminars & Workshops	300	53	247	35
Tax Roll Expense	3,400	3,254	146	3,074
State Aid Grant Expense	11,229	10,479	750	11,273
Miscellaneous	7,055	4,327	2,728	4,390
Total Expenditures	<u>\$ 174,009</u>	<u>\$ 184,830</u>	<u>\$ (10,821)</u>	<u>\$ 152,585</u>
Excess of (Deficiency) Revenues Over Expenditures	<u>\$ 41,720</u>	<u>\$ 47,305</u>	<u>\$ 5,585</u>	<u>\$ 66,905</u>
Unreserved Fund Balance-Beginning	<u>\$ 467,092</u>	<u>\$ 467,092</u>	<u>\$ -</u>	<u>\$ 400,187</u>
Unreserved Fund Balance-Ending	<u><u>\$ 508,812</u></u>	<u><u>\$ 514,397</u></u>	<u><u>\$ 5,585</u></u>	<u><u>\$ 467,092</u></u>

CITY OF JENNINGS, LOUISIANA

PERPETUAL CARE FUND  
COMPARATIVE BALANCE SHEET  
JUNE 30, 2003 AND 2002

	<u>JUNE 30,</u> <u>2003</u>	<u>JUNE 30,</u> <u>2002</u>
<u>ASSETS</u>		
Investment, At Cost	\$ 190,000	\$ 180,000
Due From Clearing Fund	3,222	5,222
	<hr/>	<hr/>
Total Assets	<u>\$ 193,222</u>	<u>\$ 185,222</u>
<u>LIABILITIES AND FUND BALANCE</u>		
<u>LIABILITIES:</u>		
Accounts Payable	<u>\$ -</u>	<u>\$ 3</u>
<u>FUND BALANCE:</u>		
Unreserved	<u>\$ 193,222</u>	<u>\$ 185,219</u>
	<hr/>	<hr/>
Total Liabilities and Fund Balance	<u>\$ 193,222</u>	<u>\$ 185,222</u>

## CITY OF JENNINGS, LOUISIANA

PERPETUAL CARE FUND  
 STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2002

	JUNE 30, 2003			JUNE 30, 2002 ACTUAL
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	
<b>REVENUES:</b>				
Receipts for Perpetual Care	\$ 10,000	\$ 7,380	\$ (2,620)	\$ 8,500
Interest Income	-	935	935	-
Total Revenues	<u>\$ 10,000</u>	<u>\$ 8,315</u>	<u>\$ (1,685)</u>	<u>\$ 8,500</u>
<b>EXPENDITURES:</b>				
Audit Expense	\$ 280	\$ 312	\$ (32)	\$ 384
Excess of Revenues over Expenditures	<u>\$ 9,720</u>	<u>\$ 8,003</u>	<u>\$ (1,717)</u>	<u>\$ 8,116</u>
Unreserved Fund Balance-Beginning	<u>\$ 185,219</u>	<u>\$ 185,219</u>	<u>\$ -</u>	<u>\$ 177,103</u>
Unreserved Fund Balance-Ending	<u><u>\$ 194,939</u></u>	<u><u>\$ 193,222</u></u>	<u><u>\$ (1,717)</u></u>	<u><u>\$ 185,219</u></u>

## CITY OF JENNINGS, LOUISIANA

HOTEL/MOTEL TAX FUND  
COMPARATIVE BALANCE SHEET  
JUNE 30, 2003 AND 2002

	<u>JUNE 30,</u> <u>2003</u>	<u>JUNE 30,</u> <u>2002</u>
<u>ASSETS</u>		
Cash	\$ 45,001	\$ 40,559
Accounts Receivable	4,899	4,655
Investments	<u>300,766</u>	<u>250,766</u>
Total Assets	<u>\$ 350,666</u>	<u>\$ 295,980</u>
<u>LIABILITIES AND FUND BALANCE</u>		
LIABILITIES:		
Accounts Payable	<u>\$ 11,595</u>	<u>\$ 5,301</u>
Total Liabilities	<u>\$ 11,595</u>	<u>\$ 5,301</u>
FUND BALANCE:		
Unreserved	<u>\$ 339,071</u>	<u>\$ 290,679</u>
Total Fund Balance	<u>\$ 339,071</u>	<u>\$ 290,679</u>
Total Liabilities and Fund Balance	<u>\$ 350,666</u>	<u>\$ 295,980</u>

## CITY OF JENNINGS, LOUISIANA

HOTEL/MOTEL TAX FUND  
 STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2002

	JUNE 30, 2003			JUNE 30, 2002 ACTUAL
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	
<b>REVENUES:</b>				
Intergovernmental Revenue	\$ 150,000	\$ 198,989	\$ 48,989	\$ 161,753
Interest Income	7,000	5,679	(1,321)	6,727
State Grants	7,500	5,000	(2,500)	-
Miscellaneous Revenue	3,500	2,235	(1,265)	4,915
Total Revenues	<u>\$ 168,000</u>	<u>\$ 211,903</u>	<u>\$ 43,903</u>	<u>\$ 173,395</u>
<b>EXPENDITURES:</b>				
<b>Culture &amp; Recreation:</b>				
Advertising & Promotional	\$ 65,000	\$ 69,913	\$ (4,913)	\$ 86,349
Salaries	11,500	11,500	-	8,000
Casual Labor	7,600	7,602	(2)	3,300
Supplies	1,000	1,346	(346)	629
Postage & Freight	3,700	3,164	536	2,540
Audit Expense	840	1,096	(256)	1,271
Insurance	1,625	1,493	132	1,797
Utilities	800	412	388	923
Support of the Arts	31,600	29,474	2,126	-
Equipment Rental	2,800	2,497	303	-
Park Beautification	2,000	2,373	(373)	1,416
Equipment	3,800	5,164	(1,364)	-
Tour Guides	15,100	15,560	(460)	12,985
Miscellaneous	17,000	11,917	5,083	16,693
Total Expenditures	<u>\$ 164,365</u>	<u>\$ 163,511</u>	<u>\$ 854</u>	<u>\$ 135,903</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 3,635</u>	<u>\$ 48,392</u>	<u>\$ 44,757</u>	<u>\$ 37,492</u>
Unreserved Fund Balance-Beginning	<u>\$ 290,679</u>	<u>\$ 290,679</u>	<u>\$ -</u>	<u>\$ 253,187</u>
Unreserved Fund Balance-Ending	<u>\$ 294,314</u>	<u>\$ 339,071</u>	<u>\$ 44,757</u>	<u>\$ 290,679</u>

## CITY OF JENNINGS, LOUISIANA

CAPITAL IMPROVEMENTS FUND  
COMPARATIVE BALANCE SHEET  
JUNE 30, 2003 AND 2002

	<u>JUNE 30, 2003</u>	<u>JUNE 30, 2002</u>
<b><u>ASSETS</u></b>		
Investments, at Cost	\$ 325,000	\$ 425,000
1% Sales Tax Receivable	20,724	20,187
Due from Clearing Fund	158,866	95,525
Total Assets	<u>\$ 504,590</u>	<u>\$ 540,712</u>
<b><u>LIABILITIES AND FUND BALANCE</u></b>		
<b>LIABILITIES:</b>		
Accounts Payable	<u>\$ 3,786</u>	<u>\$ 1,554</u>
Total Liabilities	<u>\$ 3,786</u>	<u>\$ 1,554</u>
<b>FUND BALANCE:</b>		
Unreserved	<u>\$ 500,804</u>	<u>\$ 539,158</u>
Total Fund Balance	<u>\$ 500,804</u>	<u>\$ 539,158</u>
Total Liabilities and Fund Balance	<u>\$ 504,590</u>	<u>\$ 540,712</u>

CITY OF JENNINGS, LOUISIANA  
CAPITAL IMPROVEMENTS FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2002

	JUNE 30, 2003			JUNE 30, 2002 ACTUAL
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	
<b>REVENUES:</b>				
Taxes-1% Sales Tax	\$ 251,370	\$ 245,606	\$ (5,764)	\$ 242,677
Intergovernmental Revenue-				
State Revenue Sharing	40,000	34,637	(5,363)	35,472
Landfill Revenue	94,000	115,299	21,299	115,299
Grant Revenue	3,500	2,716	(784)	-
Miscellaneous	5,000	11,947	6,947	16,375
Interest Income	22,000	8,755	(13,245)	14,648
<b>Total Revenues</b>	<b>\$ 415,870</b>	<b>\$ 418,960</b>	<b>\$ 3,090</b>	<b>\$ 424,471</b>
<b>EXPENDITURES:</b>				
<b>General Government:</b>				
Economic Development Commission	\$ 35,000	\$ 35,000	\$ -	\$ 35,000
IMCAL Dues	1,700	1,636	64	1,636
Repairs-Safety Building	12,000	6,010	5,990	2,037
Repairs-Garment Factory	-	-	-	-
Sidewalk Repairs	40,000	34,678	5,322	33,553
J.D. Civil Air Patrol	5,000	5,000	-	5,000
Neighborhood Watch Equipment	500	-	500	552
Southside Development Grant	40,000	40,000	-	40,100
Computer	-	-	-	-
Government Facilities Building	7,000	3,500	3,500	-
Land Purchase & Improvements	92,000	44,933	47,067	-
Equipment	5,000	4,572	428	48,046
Copier	2,000	2,043	(43)	2,385
<b>Total General Government</b>	<b>\$ 240,200</b>	<b>\$ 177,372</b>	<b>\$ 62,828</b>	<b>\$ 168,309</b>
<b>Public Works:</b>				
Equipment & Equipment Renovation	\$ 15,000	\$ 12,946	\$ 2,054	\$ 13,243
Vacuum Truck	6,000	6,556	(556)	36,064
Mower-Cemetary	3,500	3,495	5	-
Sesco Building	4,500	5,304	(804)	-
Street Improvements	10,000	7,789	2,211	10,533
<b>Total Public Works</b>	<b>\$ 39,000</b>	<b>\$ 36,090</b>	<b>\$ 2,910</b>	<b>\$ 59,840</b>
<b>Culture and Recreation:</b>				
Council on Aging	\$ 10,000	\$ 10,066	\$ (66)	\$ 10,000
Zigler Museum	5,000	5,000	-	5,300
Pool Repairs	25,000	17,978	7,022	240
Pioneer Park Building	10,000	3,472	6,528	9,756
I-10 Park	33,500	24,284	9,216	81,919
Jeff Davis Arts Council	2,000	2,000	-	2,000
Jeff Davis Parish Health Unit	2,750	2,750	-	2,750
Christmas Lights	10,000	10,704	(704)	8,837
Park Renovations & Improvements	70,000	63,813	6,187	14,401
Fireworks	14,000	14,000	-	14,020
Tree Planting	600	600	-	600
Recreation	33,000	27,522	5,478	40,203
<b>Total Culture and Recreation</b>	<b>\$ 215,850</b>	<b>\$ 182,189</b>	<b>\$ 33,661</b>	<b>\$ 190,026</b>

CITY OF JENNINGS, LOUISIANA

CAPITAL IMPROVEMENTS FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2002

	JUNE 30, 2003			JUNE 30, 2002 ACTUAL
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	
<u>Public Safety:</u>				
Equipment-Fire Department	\$ 6,500	\$ 5,082	\$ 1,418	\$ -
Vehicles-Police Department	-	-	-	5,940
Capital Improvements-Fire Department	26,200	24,433	1,767	-
Capital Improvements-Police Department	50,000	2,529	47,471	6,602
Special Program-Police Department	1,000	-	1,000	1,083
Animal Control	4,000	4,000	-	-
Equipment-Police Department	24,000	24,379	(379)	21,479
Total Public Safety	\$ 111,700	\$ 60,423	\$ 51,277	\$ 35,104
Total Expenditures	\$ 606,750	\$ 456,074	\$ 150,676	\$ 453,279
Excess (Deficiency) of Revenues over Expenditures	\$ (190,880)	\$ (37,114)	\$ 153,766	\$ (28,808)
<u>Other Financing Uses:</u>				
Transfer to Zigler Complex Fund	\$ -	\$ -	\$ -	\$ -
Transfer to Utility Fund	-	(1,240)	(1,240)	-
Transfer (to) from Utility Fund	-	-	-	1,200
Total Other Financing Uses	\$ -	\$ (1,240)	\$ (1,240)	\$ 1,200
Excess (Deficiency) of Revenues over Expenditures and Other Financing Uses	\$ (190,880)	\$ (38,354)	\$ 152,526	\$ (27,608)
Unreserved Fund Balance-Beginning	\$ 539,158	\$ 539,158	\$ -	\$ 566,766
Unreserved Fund Balance-Ending	\$ 348,278	\$ 500,804	\$ 152,526	\$ 539,158

## CITY OF JENNINGS, LOUISIANA

1994 1% SALES TAX FUND  
COMPARATIVE BALANCE SHEET  
JUNE 30, 2003 AND 2002

	<u>JUNE 30, 2003</u>	<u>JUNE 30, 2002</u>
<b><u>ASSETS</u></b>		
Investment, at Cost	\$ 100,000	\$ 150,000
Accounts Receivable	200,028	144,195
Due from Clearing Fund	<u>322,897</u>	<u>160,611</u>
Total Assets	<u>\$ 622,925</u>	<u>\$ 454,806</u>
<b><u>LIABILITIES AND FUND BALANCE</u></b>		
<b>LIABILITIES:</b>		
Retainage Payable	\$ 39,268	\$ -
Accounts Payable	35,713	-
Total Liabilities	<u>\$ 74,981</u>	<u>\$ -</u>
<b>FUND BALANCE:</b>		
Unreserved	<u>\$ 547,944</u>	<u>\$ 454,806</u>
Total Fund Balance	<u>\$ 547,944</u>	<u>\$ 454,806</u>
Total Liabilities and Fund Balance	<u>\$ 622,925</u>	<u>\$ 454,806</u>

## CITY OF JENNINGS, LOUISIANA

1994 1% SALES TAX FUND  
 STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2002

	JUNE 30, 2003			JUNE 30, 2002 ACTUAL
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	
<b>REVENUES:</b>				
Taxes-1% Sales Tax	\$ 1,795,500	\$ 1,754,326	\$ (41,174)	\$ 1,733,407
Intergovernmental Revenue	1,000,000	815,542	(184,458)	-
Miscellaneous Revenue	-	2,000	2,000	-
Interest Income	25,000	6,567	(18,433)	20,804
Total Revenues	<u>\$ 2,820,500</u>	<u>\$ 2,578,435</u>	<u>\$ (242,065)</u>	<u>\$ 1,754,211</u>
<b>EXPENDITURES:</b>				
<u>Public Works:</u>				
Street Improvements	\$ 300,000	\$ 164,406	\$ 135,594	\$ 300,995
Streets & Drainage-High School	1,000,000	765,375	234,625	-
Drainage Projects	200,000	317,233	(117,233)	67,371
Total Public Works	<u>\$ 1,500,000</u>	<u>\$ 1,247,014</u>	<u>\$ 252,986</u>	<u>\$ 368,366</u>
<u>Culture and Recreation:</u>				
Vehicles	\$ 60,000	\$ 29,937	\$ 30,063	\$ -
Equipment	-	-	-	13,248
Total Culture and Recreation	<u>\$ 60,000</u>	<u>\$ 29,937</u>	<u>\$ 30,063</u>	<u>\$ 13,248</u>
<u>Public Safety</u>				
Vehicles	\$ 100,000	\$ 95,197	\$ 4,803	\$ 99,035
Equipment	-	-	-	16,033
Total Public Safety	<u>\$ 100,000</u>	<u>\$ 95,197</u>	<u>\$ 4,803</u>	<u>\$ 115,068</u>
<u>General Government:</u>				
Vehicles	\$ -	\$ -	\$ -	\$ 28,325
Total General Government	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,325</u>
Total Expenditures	<u>\$ 1,660,000</u>	<u>\$ 1,372,148</u>	<u>\$ 287,852</u>	<u>\$ 525,007</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ 1,160,500</u>	<u>\$ 1,206,287</u>	<u>\$ 45,787</u>	<u>\$ 1,229,204</u>
<u>Other Financing Uses:</u>				
Transfer to Street Department	\$ (174,695)	\$ (174,695)	\$ -	\$ (130,000)
Transfer to General Fund	(246,666)	(246,666)	-	(288,854)
Transfer to Utility Fund	(690,065)	(691,788)	1,723	(1,148,975)
Total Other Financing Uses	<u>\$ (1,111,426)</u>	<u>\$ (1,113,149)</u>	<u>\$ 1,723</u>	<u>\$ (1,567,829)</u>
Excess (Deficiency) of Revenues over Expenditures and Other Financing Uses	<u>\$ 49,074</u>	<u>\$ 93,138</u>	<u>\$ 44,064</u>	<u>\$ (338,625)</u>
Unreserved Fund Balance-Beginning	<u>\$ 454,806</u>	<u>\$ 454,806</u>	<u>\$ -</u>	<u>\$ 793,431</u>
Unreserved Fund Balance-Ending	<u>\$ 503,880</u>	<u>\$ 547,944</u>	<u>\$ 44,064</u>	<u>\$ 454,806</u>

## ENTERPRISE FUNDS

Utility Fund - To account for the provision of water and sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, billing and collection.

Zigler Complex Fund - To account for the rent property owned by the City including the Zigler Office Building, the Zigler Annex and the Zigler Apartments. This fund includes the collection of rent along with the related expenses, including utilities, maintenance, janitorial service, etc.

## CITY OF JENNINGS, LOUISIANA

ENTERPRISE FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2003  
WITH COMPARATIVE TOTALS FOR JUNE 30, 2002

	UTILITY FUND	ZIGLER COMPLEX FUND	TOTALS	
			JUNE 30, 2003	JUNE 30, 2002
<b>ASSETS</b>				
<b>UNRESTRICTED</b>				
Cash	\$ 400	\$ -	\$ 400	\$ 400
Investments, at Cost	300,000	-	300,000	650,000
Receivables:				
Accounts	106,276	-	106,276	111,052
Other	78,006	-	78,006	80,198
Prepaid Insurance	4,902	1,103	6,005	1,356
Inventory	1,038	-	1,038	2,381
Due from Clearing Fund	208,136	94,457	302,593	404,047
<b>Total Unrestricted Assets</b>	<b>\$ 698,758</b>	<b>\$ 95,560</b>	<b>\$ 794,318</b>	<b>\$ 1,249,434</b>
<b>RESTRICTED:</b>				
Cash	\$ 2,545	\$ -	\$ 2,545	\$ 12,308
Investments, at Cost	734,004	-	734,004	721,004
<b>Total Restricted Assets</b>	<b>\$ 736,549</b>	<b>\$ -</b>	<b>\$ 736,549</b>	<b>\$ 733,312</b>
<b>PROPERTY, PLANT AND EQUIPMENT:</b>				
Land	\$ 211,021	\$ -	\$ 211,021	\$ 211,021
Building and Improvements	1,948,430	438,351	2,386,781	2,350,731
Machinery and Equipment	4,344,063	-	4,344,063	3,805,485
Furniture and Fixtures	-	28,114	28,114	28,114
Sewer Plant Distribution System	7,408,840	-	7,408,840	7,408,840
Accumulated Depreciation	(4,047,917)	(352,163)	(4,400,080)	(4,040,410)
Construction in Progress	-	-	-	226,854
<b>Net Property, Plant and Equipment</b>	<b>\$ 9,864,437</b>	<b>\$ 114,302</b>	<b>\$ 9,978,739</b>	<b>\$ 9,990,635</b>
<b>Total Assets</b>	<b>\$ 11,299,744</b>	<b>\$ 209,862</b>	<b>\$ 11,509,606</b>	<b>\$ 11,973,381</b>
<b>LIABILITIES AND FUND EQUITY</b>				
<b>LIABILITIES:</b>				
Current Liabilities (Payable from Current Assets):				
Accounts Payable	\$ 28,791	\$ 145	\$ 28,936	\$ 28,677
Retainage Payable	-	-	-	22,926
Accrued Liabilities	16,950	-	16,950	17,925
Lessee Deposits	-	1,300	1,300	1,100
Other	458	-	458	439
Current Portion of Bonds Payable	155,000	-	155,000	145,000
Due to General Fund	374	-	374	379
Prepaid Accounts	-	-	-	-
<b>Total Current Liabilities (Payable from Current Assets)</b>	<b>\$ 201,573</b>	<b>\$ 1,445</b>	<b>\$ 203,018</b>	<b>\$ 216,446</b>
Current Liabilities (Payable from Restricted Assets):				
Deposits	\$ 153,111	\$ -	\$ 153,111	\$ 149,693
Current Portion of Bonds Payable	300,000	-	300,000	290,000
Accrued Interest	48,137	-	48,137	58,647
<b>Total Current Liabilities (Payable from Restricted Assets)</b>	<b>\$ 501,248</b>	<b>\$ -</b>	<b>\$ 501,248</b>	<b>\$ 498,340</b>
Long-Term Liabilities:				
Bonds Payable-Hancock Bank	\$ 695,000	\$ -	\$ 695,000	\$ 840,000
Bonds Payable-DEQ	4,390,000	-	4,390,000	4,690,000
<b>Total Long-Term Liabilities</b>	<b>\$ 5,085,000</b>	<b>\$ -</b>	<b>\$ 5,085,000</b>	<b>\$ 5,530,000</b>
<b>Total Liabilities</b>	<b>\$ 5,787,821</b>	<b>\$ 1,445</b>	<b>\$ 5,789,266</b>	<b>\$ 6,244,786</b>
<b>FUND EQUITY:</b>				
Contributed Capital	\$ 1,283,854	\$ -	\$ 1,283,854	\$ 1,283,854
Retained Earnings:				
Reserved for Deposits	2,653	-	2,653	2,805
Unreserved	4,225,416	208,417	4,433,833	4,441,936
<b>Total Fund Equity</b>	<b>\$ 5,511,923</b>	<b>\$ 208,417</b>	<b>\$ 5,720,340</b>	<b>\$ 5,728,595</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$ 11,299,744</b>	<b>\$ 209,862</b>	<b>\$ 11,509,606</b>	<b>\$ 11,973,381</b>

## CITY OF JENNINGS, LOUISIANA

ENTERPRISE FUNDS  
 COMBINING STATEMENT OF REVENUES,  
 EXPENSES, AND CHANGES IN RETAINED EARNINGS AND CONTRIBUTED CAPITAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
 WITH COMPARATIVE TOTALS FOR FISCAL YEAR ENDED JUNE 30, 2002

	UTILITY FUND	ZIGLER COMPLEX FUND	TOTALS	
			JUNE 30, 2003	JUNE 30, 2002
<b>OPERATING REVENUES:</b>				
Charges for Services:				
Water & Sewer Charges	\$ 1,325,124	\$ -	\$ 1,325,124	\$ 1,312,188
Water & Sewer Tap Charges	9,860	-	9,860	12,684
Rent & Utility Charges	-	70,755	70,755	71,712
Miscellaneous Revenue	21,319	922	22,241	67,918
Total Operating Revenues	<u>\$ 1,356,303</u>	<u>\$ 71,677</u>	<u>\$ 1,427,980</u>	<u>\$ 1,464,502</u>
<b>OPERATING EXPENSES:</b>				
Waterworks	\$ 695,134	\$ -	\$ 695,134	\$ 751,787
Sewer Works	195,843	-	195,843	164,019
Sewer Plant	675,507	-	675,507	594,705
Revenue Office	188,193	-	188,193	199,523
Rental Expenses	-	91,262	91,262	84,792
Total Operating Expenses	<u>\$ 1,754,677</u>	<u>\$ 91,262</u>	<u>\$ 1,845,939</u>	<u>\$ 1,794,826</u>
Operating Income (Loss)	<u>\$ (398,374)</u>	<u>\$ (19,585)</u>	<u>\$ (417,959)</u>	<u>\$ (330,324)</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>				
Interest Income	\$ 35,245	\$ 1,389	\$ 36,634	\$ 42,497
Interest Expense	(185,851)	-	(185,851)	(196,851)
Bond Issue Cost	(10,838)	-	(10,838)	-
Gain (Loss) on Disposition	1,731	-	1,731	(19,089)
Total Nonoperating Revenue (Expenses)	<u>\$ (159,713)</u>	<u>\$ 1,389</u>	<u>\$ (158,324)</u>	<u>\$ (173,443)</u>
Income Before Operating Transfers	<u>\$ (558,087)</u>	<u>\$ (18,196)</u>	<u>\$ (576,283)</u>	<u>\$ (503,767)</u>
<b>OPERATING TRANSFERS IN (OUT):</b>				
Capital Improvement Fund	\$ 1,240	\$ -	\$ 1,240	\$ (1,200)
1994 1% Sales Tax Fund	691,788	-	691,788	1,148,975
General Fund	(125,000)	-	(125,000)	(125,000)
Total Operating Transfers In (Out)	<u>\$ 568,028</u>	<u>\$ -</u>	<u>\$ 568,028</u>	<u>\$ 1,022,775</u>
Net Income (Loss)	<u>\$ 9,941</u>	<u>\$ (18,196)</u>	<u>\$ (8,255)</u>	<u>\$ 519,008</u>
Decrease in Reserve for Deposits	\$ 152	\$ -	\$ 152	\$ 140
Unreserved Retained Earnings, Beginning	<u>\$ 4,215,323</u>	<u>\$ 226,613</u>	<u>\$ 4,441,936</u>	<u>\$ 3,922,788</u>
Unreserved Retained Earnings, Ending	<u>\$ 4,225,416</u>	<u>\$ 208,417</u>	<u>\$ 4,433,833</u>	<u>\$ 4,441,936</u>
Contributed Capital, Beginning	\$ 1,283,854	\$ -	\$ 1,283,854	\$ 632,229
Government's Contribution	-	-	-	651,625
Contributed Capital, Ending	<u>\$ 1,283,854</u>	<u>\$ -</u>	<u>\$ 1,283,854</u>	<u>\$ 1,283,854</u>

## CITY OF JENNINGS, LOUISIANA

ENTERPRISE FUNDS  
 COMBINING STATEMENT OF CASH FLOWS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
 WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 2002

	UTILITY FUND	ZIGLER COMPLEX FUND	TOTALS	
			JUNE 30, 2003	JUNE 30, 2002
<b>Cash Flows from Operating Activities:</b>				
Operating Income (Loss)	\$ (398,374)	\$ (19,584)	\$ (417,958)	\$ (330,324)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation	347,131	23,597	370,728	360,127
Net Changes in Assets and Liabilities:				
Decrease (Increase) in Receivables	6,968	-	6,968	(13,547)
Decrease (Increase) in Prepaid Insurance	(3,713)	(936)	(4,649)	4,905
Decrease (Increase) in Inventory	1,343	-	1,343	(1,499)
Increase (Decrease) Accounts Payable	288	(29)	259	12,976
Increase (Decrease) in Accrued Payables	(956)	200	(756)	(689)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ (47,313)</b>	<b>\$ 3,248</b>	<b>\$ (44,065)</b>	<b>\$ 31,949</b>
<b>Cash Flows from Non-Capital Financing Activities:</b>				
Increase in Due from Other Funds	\$ (5)	\$ -	\$ (5)	\$ 379
Operating Transfers In	693,028	-	693,028	1,148,975
Contributed Capital	-	-	-	651,625
Operating Transfers (Out)	(125,000)	-	(125,000)	(126,200)
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<b>\$ 568,023</b>	<b>\$ -</b>	<b>\$ 568,023</b>	<b>\$ 1,674,779</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Increase in Liabilities Payable from Restricted Assets	\$ 3,418	\$ -	\$ 3,418	\$ 5,147
Increase in Retainage Payable	(22,926)	-	(22,926)	(246,255)
Proceeds from Sale of Assets	2,300	-	2,300	3,900
Interest Paid on Bonds	(196,361)	-	(196,361)	(198,941)
Bond Issue Cost	(10,838)	-	(10,838)	-
Acquisition of Fixed Assets Construction	(323,351)	-	(323,351)	(98,463)
Construction	(36,050)	-	(36,050)	(915,094)
Proceeds from Hancock Bank Bonds	850,000	-	850,000	-
Proceeds from DEQ Loan	-	-	-	445,690
Payments on DEQ Loan	(290,000)	-	(290,000)	(280,000)
Payments on Hibernia Loan	(985,000)	-	(985,000)	(140,000)
Other	-	-	-	(1,971)
<b>Net Cash (Used) by Capital and Related Financing Activities</b>	<b>\$ (1,008,808)</b>	<b>\$ -</b>	<b>\$ (1,008,808)</b>	<b>\$ (1,425,987)</b>
<b>Cash Flows from Investing Activities:</b>				
Purchase of Short-Term Investments	\$ (313,000)	\$ -	\$ (313,000)	\$ (250,000)
Redemption of Short-Term Investments	650,000	-	650,000	100,000
Interest Income	35,245	1,389	36,634	42,497
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>\$ 372,245</b>	<b>\$ 1,389</b>	<b>\$ 373,634</b>	<b>\$ (107,503)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>\$ (115,853)</b>	<b>\$ 4,637</b>	<b>\$ (111,216)</b>	<b>\$ 173,238</b>
<b>Cash and Cash Equivalents-Beginning of Year</b>	<b>326,934</b>	<b>89,820</b>	<b>416,754</b>	<b>243,516</b>
<b>Cash and Cash Equivalents-End of Year</b>	<b>\$ 211,081</b>	<b>\$ 94,457</b>	<b>\$ 305,538</b>	<b>\$ 416,754</b>
<b>Cash and Cash Equivalents-End of Year Consist of:</b>				
Unrestricted Cash	\$ 400	\$ -	\$ 400	\$ 400
Unrestricted Cash in Clearing Fund	208,136	94,457	302,593	404,046
Restricted Cash	2,545	-	2,545	12,308
<b>Total</b>	<b>\$ 211,081</b>	<b>\$ 94,457</b>	<b>\$ 305,538</b>	<b>\$ 416,754</b>

Non-Cash Investing, Capital, and Financing Activities:  
 There were no significant non-cash investing, capital, and  
 financing activities during the reported periods.

## CITY OF JENNINGS, LOUISIANA

UTILITY FUND  
COMPARATIVE BALANCE SHEET  
JUNE 30, 2003 AND 2002

	JUNE 30, 2003	JUNE 30, 2002
<b>ASSETS</b>		
<b>UNRESTRICTED ASSETS:</b>		
Cash	\$ 400	\$ 400
Investments, at Cost	300,000	650,000
Receivables:		
Accounts	106,276	111,052
Unbilled Receivable	78,006	80,198
Other	-	-
Inventory	1,038	2,381
Prepaid Insurance	4,902	1,189
Due from Clearing Fund	208,136	314,226
Total Unrestricted Assets	<u>\$ 698,758</u>	<u>\$ 1,159,446</u>
<b>RESTRICTED ASSETS:</b>		
Cash:		
Water & Sewer Deposits	\$ 2,545	\$ 12,308
Investments, at Cost	734,004	721,004
Total Restricted Assets	<u>\$ 736,549</u>	<u>\$ 733,312</u>
<b>PROPERTY, PLANT AND EQUIPMENT:</b>		
Land	\$ 211,021	\$ 211,021
Building and Improvements	1,948,430	1,912,380
Machinery and Equipment	4,344,063	3,805,485
Sewer Plant Distribution System	7,408,840	7,408,840
Accumulated Depreciation	(4,047,917)	(3,711,844)
Construction in Progress	-	226,854
Net Property, Plant and Equipment	<u>\$ 9,864,437</u>	<u>\$ 9,852,736</u>
<b>Total Assets</b>	<u>\$ 11,299,744</u>	<u>\$ 11,745,494</u>
<b>LIABILITIES AND FUND EQUITY</b>		
<b>CURRENT LIABILITIES (PAYABLE FROM CURRENT ASSETS):</b>		
Accounts Payable	\$ 28,791	\$ 28,503
Retainage Payable	-	22,926
Accrued Liabilities	16,950	17,925
Current Portion of Bonds Payable	155,000	145,000
Other	458	439
Due to General Fund	374	379
Prepaid Accounts for Customers	-	-
Total Current Liabilities (Payable from Current Assets)	<u>\$ 201,573</u>	<u>\$ 215,172</u>
<b>CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS):</b>		
Customer Deposits	\$ 153,111	\$ 149,693
Current Portion of Bonds Payable	300,000	290,000
Accrued Interest	48,137	58,647
Total Current Liabilities (Payable from Restricted Assets)	<u>\$ 501,248</u>	<u>\$ 498,340</u>
<b>LONG-TERM LIABILITIES:</b>		
Bonds Payable-Hancock Bank	\$ 695,000	\$ 840,000
Bonds Payable-DEQ	4,390,000	4,690,000
Total Long-Term Liabilities	<u>\$ 5,085,000</u>	<u>\$ 5,530,000</u>
<b>Total Liabilities</b>	<u>\$ 5,787,821</u>	<u>\$ 6,243,512</u>
<b>FUND EQUITY:</b>		
Contributed Capital	\$ 1,283,854	\$ 1,283,854
Retained Earnings:		
Reserved for Deposits	2,653	2,805
Unreserved	4,225,416	4,215,323
Total Fund Equity	<u>\$ 5,511,923</u>	<u>\$ 5,501,982</u>
<b>Total Liabilities and Fund Equity</b>	<u>\$ 11,299,744</u>	<u>\$ 11,745,494</u>

## CITY OF JENNINGS, LOUISIANA

UTILITY FUND  
 STATEMENT OF REVENUES, EXPENSES AND  
 CHANGES IN RETAINED EARNING AND CONTRIBUTED CAPITAL-BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
 WITH COMPARATIVE TOTALS FOR FISCAL YEAR ENDED JUNE 30, 2002

	JUNE 30, 2003		VARIANCE FAVORABLE (UNFAVORABLE)	JUNE 30, 2002 ACTUAL
	BUDGET	ACTUAL		
<b>OPERATING REVENUES:</b>				
Charges for Services:				
Water & Sewer Charges	\$ 1,280,500	\$ 1,325,124	\$ 44,624	\$ 1,312,188
Water & Sewer Tap Charges	15,100	9,860	(5,240)	12,684
Sale of Trash Bags	3,000	2,211	(789)	1,952
Miscellaneous Revenue	20,250	19,108	(1,142)	64,280
Total Operating Revenues	<u>\$ 1,318,850</u>	<u>\$ 1,356,303</u>	<u>\$ 37,453</u>	<u>\$ 1,391,104</u>
<b>OPERATING EXPENSES:</b>				
<b>Water Works Department:</b>				
Salaries	\$ 234,748	\$ 214,285	\$ 20,463	\$ 213,232
Overtime	10,000	7,985	2,015	7,245
Employee Benefits	55,705	52,002	3,703	45,730
Supplies	125,250	98,622	26,628	129,371
Repairs & Maintenance	65,835	58,796	7,039	95,859
Engineer Retainer	1,800	1,800	-	1,800
Audit Fee	2,940	3,276	(336)	4,027
Postage & Freight	640	858	(218)	594
Travel & Meals	600	277	323	634
Seminars & Workshops	1,000	1,165	(165)	(13)
Gas & Oil	7,500	7,321	179	5,819
Insurance	33,722	32,924	798	33,000
Utilities	94,500	97,587	(3,087)	92,695
Miscellaneous	5,060	7,156	(2,096)	4,960
New Equipment	3,000	2,618	382	3,018
Depreciation	108,078	108,462	(384)	113,816
Total Water Works Department	<u>\$ 750,378</u>	<u>\$ 695,134</u>	<u>\$ 55,244</u>	<u>\$ 751,787</u>
<b>Sewer Works Department:</b>				
Salaries	\$ 67,661	\$ 67,299	\$ 362	\$ 63,922
Overtime	2,750	2,171	579	2,551
Employee Benefits	16,638	17,050	(412)	14,765
Supplies	2,500	733	1,767	1,604
Sewer Rehabilitation	27,000	11,706	15,294	32,303
Repairs & Maintenance	59,000	78,301	(19,301)	29,705
Audit Fees	1,260	1,404	(144)	1,726
Postage & Freight	280	440	(160)	349
Gas & Oil	3,000	3,076	(76)	2,415
Insurance	8,307	7,813	494	8,708
Depreciation	5,250	5,250	-	5,250
Miscellaneous	650	600	50	721
Total Sewer Works Department	<u>\$ 194,296</u>	<u>\$ 195,843</u>	<u>\$ (1,547)</u>	<u>\$ 164,019</u>

CITY OF JENNINGS, LOUISIANA  
UTILITY FUND  
STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN RETAINED EARNING AND CONTRIBUTED CAPITAL-BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2002

	JUNE 30, 2003			JUNE 30, 2002 ACTUAL
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	
<b>Sewer Plant:</b>				
Salaries	\$ 53,706	\$ 46,635	\$ 7,071	\$ 42,330
Overtime	5,000	5,736	(736)	5,897
Employee Benefits	13,152	12,545	607	9,600
Supplies	15,350	27,594	(12,244)	15,964
Sewer Lines	-	-	-	22,517
Repairs & Maintenance	161,500	206,264	(44,764)	156,213
Engineer Retainer & Fees	2,300	1,800	500	2,480
Audit Fees	1,260	1,404	(144)	1,726
Postage & Freight	410	335	75	255
Insurance	14,840	15,212	(372)	13,147
Utilities	100,000	92,551	7,449	87,314
Miscellaneous	33,600	38,023	(4,423)	30,143
Seminars & Workshops	600	1,162	(562)	-
Right of Way	900	485	415	485
Vehicle Expense	500	2,918	(2,418)	364
Depreciation	198,000	222,843	(24,843)	206,270
Total Sewer Plant	\$ 601,118	\$ 675,507	\$ (74,389)	\$ 594,705
<b>Revenue Office:</b>				
Salaries	\$ 112,851	\$ 107,821	\$ 5,030	\$ 108,791
Overtime	2,000	522	1,478	1,350
Employee Benefits	23,641	24,557	(916)	21,683
Supplies	6,000	5,712	288	6,592
Repairs & Maintenance	6,000	10,392	(4,392)	17,405
Audit Fee	1,260	1,404	(144)	1,726
Postage & Freight	8,125	9,905	(1,780)	8,581
Gas & Oil	1,500	1,388	112	1,375
Insurance	8,820	8,385	435	9,380
Utilities	800	678	122	524
Trash Bags	3,000	3,957	(957)	3,463
Uniforms	500	581	(81)	110
Seminars & Workshops	-	2,128	(2,128)	7,620
Miscellaneous	600	187	413	179
Depreciation	4,600	10,576	(5,976)	10,744
Total Revenue Office	\$ 179,697	\$ 188,193	\$ (8,496)	\$ 199,523
Total Operating Expenses	\$ 1,725,489	\$ 1,754,677	\$ (29,188)	\$ 1,710,034
Operating Income (Loss)	\$ (406,639)	\$ (398,374)	\$ 8,265	\$ (318,930)
<b>NONOPERATING REVENUES (EXPENSES):</b>				
Interest Income	\$ 45,000	\$ 35,245	\$ (9,755)	\$ 38,480
Interest Expense	(181,944)	(185,851)	(3,907)	(196,851)
Bond Issue Cost	-	(10,838)	(10,838)	-
Gain (Loss) on Disposition	-	1,731	1,731	(17,358)
Total Nonoperating Revenues (Loss)	\$ (136,944)	\$ (159,713)	\$ (22,769)	\$ (175,729)
Income Before Operating Transfers	\$ (543,583)	\$ (558,087)	\$ (14,504)	\$ (494,659)
<b>OPERATING TRANSFERS IN (OUT):</b>				
To Capital Improvement Fund	\$ -	\$ -	\$ -	\$ (1,200)
From Capital Improvement Fund	-	1,240	1,240	-
From 1994 1% Sales Tax Fund	690,065	691,788	1,723	1,148,975
To General Fund	(125,000)	(125,000)	-	(125,000)
Total Operating Transfers In (Out)	\$ 565,065	\$ 568,028	\$ 2,963	\$ 1,022,775
Net Income (Loss)	\$ 21,482	\$ 9,941	\$ (11,541)	\$ 528,116

CITY OF JENNINGS, LOUISIANA

UTILITY FUND  
STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN RETAINED EARNING AND CONTRIBUTED CAPITAL-BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2002

	JUNE 30, 2003		VARIANCE FAVORABLE (UNFAVORABLE)	JUNE 30, 2002 ACTUAL
	BUDGET	ACTUAL		
Decrease in Reserve for Deposits	\$ -	\$ 152	\$ 152	\$ 140
Unreserved Retained Earnings, Beginning	4,215,323	4,215,323	-	3,687,067
Unreserved Retained Earnings, Ending	\$ 4,236,805	\$ 4,225,416	\$ (11,389)	\$ 4,215,323
Contributed Capital, Beginning	\$ 1,283,854	\$ 1,283,854	\$ -	\$ 632,229
Government's Contribution	-	-	-	651,625
Contributed Capital, Ending	\$ 1,283,854	\$ 1,283,854	\$ -	\$ 1,283,854

CITY OF JENNINGS, LOUISIANA  
 UTILITY FUND  
 STATEMENT OF CASH FLOWS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
 WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 2002

	JUNE 30, 2003	JUNE 30, 2002
Cash Flows from Operating Activities:		
Operating Income (Loss)	\$ (398,374)	\$ (318,930)
Adjustments to Reconcile Operation Income to Net Cash Provided by Operating Activities:		
Depreciation	347,131	336,080
Decrease (Increase) in Receivables	6,968	(13,547)
Decrease (Increase) in Prepaid Insurance	(3,713)	3,924
Decrease (Increase) in Inventory	1,343	(1,499)
Increase (Decrease) in Accounts Payable	288	13,191
Increase in Accrued Payables	(956)	(489)
Net Cash Provided by Operating Activities	\$ (47,313)	\$ 18,730
Cash Flows from Non-Capital Financing Activities:		
Decrease (Increase) in Due from Other Funds	\$ (5)	\$ 379
Operating Transfers In	693,028	1,148,975
Contributed Capital	-	651,625
Operating Transfers (Out)	(125,000)	(126,200)
Net Cash Provided (Used) by Non-Capital Financing Activities	\$ 568,023	\$ 1,674,779
Cash Flows from Capital and Related Financing Activities:		
Increase in Liabilities Payable from Restricted Assets	\$ 3,418	\$ 5,147
Increase in Retainage Payable	(22,926)	(246,255)
Interest Paid on Bonds	(196,361)	(198,941)
Bond Issue Cost	(10,838)	
Proceeds from Sale of Assets	2,300	3,900
Acquisition of Fixed Assets	(323,351)	(98,463)
Construction	(36,050)	(915,094)
Proceeds from Hancock Bank Bonds	850,000	-
Proceeds from DEQ Loan	-	445,690
Payments on DEQ Loan	(290,000)	(280,000)
Payments on Hibernia Loan	(985,000)	(140,000)
Other	-	(1,162)
Net Cash Provided (Used) by Capital and Related Financing Activities	\$ (1,008,808)	\$ (1,425,178)
Cash Flows from Investing Activities:		
Purchase of Short-Term Investments	\$ (313,000)	\$ (250,000)
Redemption of Short-Term Investments	650,000	100,000
Interest Income	35,245	38,480
Net Cash Provided (Used) by Investing Activities	\$ 372,245	\$ (111,520)
Net Increase (Decrease) in Cash and Cash Equivalents	\$ (115,853)	\$ 156,811
Cash and Cash Equivalents-Beginning of Year	326,934	170,123
Cash and Cash Equivalents-End of Year	\$ 211,081	\$ 326,934
Cash and Cash Equivalents-End of Year Consist of:		
Unrestricted Cash	\$ 400	\$ 400
Unrestricted Cash in Clearing Fund	208,136	314,226
Restricted Cash	2,545	12,308
Total	\$ 211,081	\$ 326,934

Non-Cash Investing, Capital, and Financing Activities:  
 There were no significant non-cash investing, capital, and  
 financing activities during the reported periods.

## CITY OF JENNINGS, LOUISIANA

ZIGLER COMPLEX FUND  
 COMPARATIVE BALANCE SHEET  
 JUNE 30, 2003 AND 2002

	<u>JUNE 30,</u> <u>2003</u>	<u>JUNE 30,</u> <u>2002</u>
<b><u>ASSETS</u></b>		
<b><u>CURRENT ASSETS:</u></b>		
Due from Clearing Fund	\$ 94,457	\$ 89,821
Prepaid Insurance	1,103	167
	<hr/>	<hr/>
Total Current Assets	\$ 95,560	\$ 89,988
<b><u>PROPERTY, PLANT AND EQUIPMENT:</u></b>		
Building and Improvements	\$ 438,351	\$ 438,351
Furniture and Fixtures	28,114	28,114
	<hr/>	<hr/>
	\$ 466,465	\$ 466,465
Less: Accumulated Depreciation	(352,163)	(328,566)
Net Property, Plant and Equipment	<hr/>	<hr/>
	\$ 114,302	\$ 137,899
	<hr/>	<hr/>
Total Assets	<u>\$ 209,862</u>	<u>\$ 227,887</u>
<b><u>LIABILITIES AND FUND EQUITY</u></b>		
<b><u>LIABILITIES:</u></b>		
Accounts Payable	\$ 145	\$ 174
Lessee Deposits	1,300	1,100
	<hr/>	<hr/>
Total Liabilities	\$ 1,445	\$ 1,274
<b><u>FUND EQUITY:</u></b>		
Retained Earnings:		
Unreserved	\$ 208,417	\$ 226,613
	<hr/>	<hr/>
Total Liabilities and Fund Equity	<u>\$ 209,862</u>	<u>\$ 227,887</u>

## CITY OF JENNINGS, LOUISIANA

ZIGLER COMPLEX FUND  
 STATEMENT OF REVENUES, EXPENSES AND  
 CHANGES IN RETAINED EARNING AND CONTRIBUTED CAPITAL-BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
 WITH COMPARATIVE TOTALS FOR FISCAL YEAR ENDED JUNE 30, 2002

	JUNE 30, 2003			JUNE 30, 2002 ACTUAL
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	
<b>OPERATING REVENUES:</b>				
Rent & Utility Charges	\$ 67,000	\$ 70,755	\$ 3,755	\$ 71,712
Miscellaneous Revenue	800	922	122	1,686
Total Operating Revenues	<u>\$ 67,800</u>	<u>\$ 71,677</u>	<u>\$ 3,877</u>	<u>\$ 73,398</u>
<b>OPERATING EXPENSES:</b>				
Rental Expenses:				
Salaries	\$ 14,393	\$ 12,048	\$ 2,345	\$ 11,837
Employee Benefits	634	450	184	434
Supplies	-	-	-	-
Repairs & Maintenance	18,000	25,718	(7,718)	19,470
Depreciation	25,000	23,597	1,403	24,047
Audit Expense	840	936	(96)	1,151
Insurance	4,751	4,620	131	4,674
Utilities	24,000	23,564	436	22,924
Miscellaneous	410	329	81	255
Total Operating Expenses	<u>\$ 88,028</u>	<u>\$ 91,262</u>	<u>\$ (3,234)</u>	<u>\$ 84,792</u>
Operating Income (Loss)	\$ (20,228)	\$ (19,585)	\$ 643	\$ (11,394)
<b>NONOPERATING REVENUE (EXPENSE):</b>				
Interest Income	\$ 4,000	\$ 1,389	\$ (2,611)	\$ 4,017
Gain (Loss) on Disposition of Equipment	-	-	-	(1,731)
Total Nonoperating Revenue	<u>\$ 4,000</u>	<u>\$ 1,389</u>	<u>\$ (2,611)</u>	<u>\$ 2,286</u>
Income (Loss) Before Operating Transfers	<u>\$ (16,228)</u>	<u>\$ (18,196)</u>	<u>\$ (1,968)</u>	<u>\$ (9,108)</u>
<b>OPERATING TRANSFERS IN (OUT):</b>				
From Capital Improvement Fund	\$ -	\$ -	\$ -	\$ -
Net Income (Loss)	<u>\$ (16,228)</u>	<u>\$ (18,196)</u>	<u>\$ (1,968)</u>	<u>\$ (9,108)</u>
Unreserved Retained Earnings, Beginning	\$ 226,613	\$ 226,613	\$ -	\$ 235,721
Unreserved Retained Earnings, Ending	<u>\$ 210,385</u>	<u>\$ 208,417</u>	<u>\$ (1,968)</u>	<u>\$ 226,613</u>

## CITY OF JENNINGS, LOUISIANA

## ZIGLER COMPLEX FUND

## STATEMENT OF CASH FLOWS

FOR THE FISCAL YEAR ENDED JUNE 30, 2003

WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 2002

	JUNE 30, 2003	JUNE 30, 2002
Cash Flows from Operating Activities:		
Operating (Loss)	\$ (19,584)	\$ (11,394)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation	23,597	24,047
Net Changes in Assets and Liabilities:		
Increase (Decrease) in Prepaid Insurance	(936)	981
Increase (Decrease) in Accounts Payable	(29)	(215)
Increase (Decrease) in Accrued Payable	200	(200)
Net Cash Provided by Operating Activities	<u>\$ 3,248</u>	<u>\$ 13,219</u>
Cash Flows from Non-Capital Financing Activities:		
Operating Transfers In	<u>\$ -</u>	<u>\$ -</u>
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>\$ -</u>	<u>\$ -</u>
Cash Flows from Capital and Related Financing Activities:		
Acquisition of Fixed Assets	\$ -	\$ -
Other	-	(809)
Net Cash (Used) by Capital and Related Financing Activities	<u>\$ -</u>	<u>\$ (809)</u>
Cash Flows from Investing Activities:		
Interest Income	<u>\$ 1,389</u>	<u>\$ 4,017</u>
Net Cash Provided by Investing Activities	<u>\$ 1,389</u>	<u>\$ 4,017</u>
Net Increase (Decrease) in Cash and Cash Equivalents	\$ 4,637	\$ 16,427
Cash and Cash Equivalents-Beginning of Year	<u>89,820</u>	<u>73,393</u>
Cash and Cash Equivalents-End of Year	<u>\$ 94,457</u>	<u>\$ 89,820</u>
Cash and Cash Equivalents-End of Year Consist of:		
Unrestricted Cash in Clearing Fund	<u>\$ 94,457</u>	<u>\$ 89,820</u>

## Non-Cash Investing, Capital, and Financing Activities:

There were no significant non-cash investing, capital, and financing activities during the reported periods.

## FIDUCIARY FUNDS

Clearing Fund - To account for the City's funds in its "Clearing Fund" bank account. This fund receives and disburses all of the City's money, and charges or credits the appropriate fund.

## CITY OF JENNINGS, LOUISIANA

CLEARING FUND  
COMPARATIVE BALANCE SHEET  
JUNE 30, 2003 AND 2002

	<u>JUNE 30,</u> <u>2003</u>	<u>JUNE 30,</u> <u>2002</u>
<b>ASSETS</b>		
Cash	\$ 1,038,223	\$ 816,272
Employee Receivables	700	666
Due from General Fund	-	-
<b>TOTAL ASSETS</b>	<b><u>\$ 1,038,923</u></b>	<b><u>\$ 816,938</u></b>
<b>LIABILITIES</b>		
<b>LIABILITIES:</b>		
Accrued Taxes	\$ 6,369	\$ 5,205
Employee Withholding	79,824	77,854
Due to Capital Improvements Fund	158,866	95,525
Due to General Fund	114,832	381
Due to Utility Fund	208,136	314,226
Due to Library Fund	37,351	67,155
Due to Street Fund	12,969	25,938
Due to Perpetual Care Fund	3,222	5,222
Due to 1994 1% Sales Tax Fund	322,897	135,611
Due to Zigler Complex Fund	94,457	89,821
<b>TOTAL LIABILITIES</b>	<b><u>\$ 1,038,923</u></b>	<b><u>\$ 816,938</u></b>

**GENERAL FIXED ASSETS ACCOUNT GROUP**

To account for fixed assets not used in Proprietary Fund operations.

## CITY OF JENNINGS, LOUISIANA

STATEMENT OF GENERAL FIXED ASSETS  
 JUNE 30, 2003  
 WITH COMPARATIVE TOTALS FOR JUNE 30, 2002

	<u>JUNE 30,</u> <u>2003</u>	<u>JUNE 30,</u> <u>2002</u>
<b><u>GENERAL FIXED ASSETS, AT COST:</u></b>		
Land	\$ 1,286,833	\$ 1,246,833
Buildings & Improvements	3,047,151	2,961,556
Machinery & Equipment	<u>3,323,148</u>	<u>3,205,024</u>
 Total General Fixed Assets	 <u>\$ 7,657,132</u>	 <u>\$ 7,413,413</u>
<b><u>INVESTMENT IN GENERAL FIXED ASSETS:</u></b>		
Property Acquired Prior to 7/1/86*	\$ 3,901,672	\$ 3,948,283
Property Acquired After 7/1/86 From:		
General Fund Revenues	615,806	584,795
Special Revenue Fund Revenues	3,087,139	2,829,884
Other Sources	17	17
Donations	<u>52,498</u>	<u>50,434</u>
 Total Investment in General Fixed Assets	 <u>\$ 7,657,132</u>	 <u>\$ 7,413,413</u>

\* Records reflecting source from which assets were acquired were not maintained prior to 7/1/86.

## CITY OF JENNINGS, LOUISIANA

SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS  
 BY FUNCTION AND DEPARTMENT  
 FOR THE YEAR ENDED JUNE 30, 2003

	GENERAL FIXED ASSETS 07/01/02	ADDITIONS & TRANSFERS IN	DELETIONS & TRANSFERS OUT	GENERAL FIXED ASSETS 06/30/03
<b>GENERAL GOVERNMENT:</b>				
Legal Department	\$ 38,110	\$ -	\$ -	\$ 38,110
Finance Department & Administrative Building	1,115,919	13,779	24,047	1,105,651
Total General Government	<u>\$ 1,154,029</u>	<u>\$ 13,779</u>	<u>\$ 24,047</u>	<u>\$ 1,143,761</u>
<b>PUBLIC SAFETY:</b>				
Police Department	\$ 1,538,510	\$ 143,886	\$ 6,551	\$ 1,675,845
Fire Department	1,547,196	25,773	53,903	1,519,066
Total Public Safety	<u>\$ 3,085,706</u>	<u>\$ 169,659</u>	<u>\$ 60,454</u>	<u>\$ 3,194,911</u>
PUBLIC WORKS:	\$ 873,591	\$ -	\$ 5,525	\$ 868,066
SANITATION:	57,000	-	-	57,000
CULTURE-RECREATION:	1,719,606	79,459	16,175	1,782,890
CEMETERY:	242,990	57,612	3,245	297,357
LIBRARY:	280,491	35,952	3,296	313,147
<b>TOTALS</b>	<u><u>\$ 7,413,413</u></u>	<u><u>\$ 356,461</u></u>	<u><u>\$ 112,742</u></u>	<u><u>\$ 7,657,132</u></u>

#### **GENERAL LONG-TERM DEBT ACCOUNT GROUP**

To account for unmatured principal amounts on general long-term debt expected to be financed from governmental type funds. Payments of maturing bond obligations, including interest, are accounted for in the Debt Service Funds. Also, to account for unpaid leave due to employees of governmental type funds.

CITY OF JENNINGS, LOUISIANA  
STATEMENT OF GENERAL LONG-TERM DEBT  
JUNE 30, 2003  
WITH COMPARATIVE TOTALS FOR JUNE 30, 2002

	<u>JUNE 30,</u> <u>2003</u>	<u>JUNE 30,</u> <u>2002</u>
<u>AMOUNT AVAILABLE AND TO BE PROVIDED FOR</u> <u>THE RETIREMENT OF GENERAL LONG-TERM DEBT:</u>		
Amount to be Provided for Accumulated Unpaid Leave	\$ 74,916	\$ 78,387
Total Available and to be Provided	<u>\$ 74,916</u>	<u>\$ 78,387</u>
<u>GENERAL LONG-TERM DEBT PAYABLE:</u>		
Accumulated Unpaid Leave	\$ 74,916	\$ 78,387
Total General Long-Term Debt Payable	<u>\$ 74,916</u>	<u>\$ 78,387</u>

**OTHER SUPPLEMENTARY INFORMATION**

## CITY OF JENNINGS, LOUISIANA

## COMBINED SCHEDULE OF INVESTMENTS-BY FUND

JUNE 30, 2003

	<u>MATURITY DATE</u>	<u>INTEREST RATE</u>	<u>TOTAL BOOK VALUE</u>
<b><u>GENERAL FUND:</u></b>			
Louisiana Asset Mgmt. Pool (LAMPS)	Variable	Variable	\$ 400,000
Certificates of Deposit	9/30/2003	1.50%	1,200,000
Total General Fund Investments			<u>\$ 1,600,000</u>
<b><u>SPECIAL REVENUE FUNDS:</u></b>			
<b><u>STREET FUND:</u></b>			
Certificates of Deposit	9/30/2003	1.50%	\$ 600,000
Total Street Fund Investments			<u>\$ 600,000</u>
<b><u>LIBRARY FUND:</u></b>			
Certificates of Deposit	9/30/2003	1.50%	\$ 380,000
Louisiana Asset Mgmt. Pool (LAMPS)	Variable	Variable	100,000
Total Library Fund Investments			<u>480,000</u>
<b><u>PERPETUAL CARE FUND:</u></b>			
Certificates of Deposit	9/30/2003	1.50%	\$ 190,000
<b><u>CAPITAL IMPROVEMENTS FUND:</u></b>			
Louisiana Asset Mgmt. Pool (LAMPS)	Variable	Variable	\$ 50,000
Certificates of Deposit	9/30/2003	1.50%	275,000
Total Capital Improvements Fund Investments			<u>\$ 325,000</u>
<b><u>Hotel/Motel Tax Fund</u></b>			
Louisiana Asset Mgmt. Pool (LAMPS)	Variable	Variable	\$ 130,766
Certificates of Deposit	9/30/2003	1.50%	170,000
			<u>\$ 300,766</u>
<b><u>1994 1% SALES TAX FUND:</u></b>			
Louisiana Asset Mgmt. Pool (LAMPS)	Variable	Variable	\$ 100,000
Total Special Revenue Fund Investments			<u>\$ 1,995,766</u>
<b><u>ENTERPRISE FUNDS:</u></b>			
<b><u>UTILITY FUND:</u></b>			
Louisiana Asset Mgmt. Pool (LAMPS)	Variable	Variable	\$ 200,000
Certificates of Deposit	9/30/2003	1.50%	834,004
Total Utility Fund			<u>\$ 1,034,004</u>
Total Investments-All Funds			<u>\$ 4,629,770</u>

CITY OF JENNINGS, LOUISIANA  
INSURANCE SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2003

COMPANY	POLICY #	TYPE OF COVERAGE	POLICY LIMITS	DEDUCTIBLES	TERM OF COVERAGE
Allstate Insurance Group	49-854210	Boiler and Machinery	1,000,000	2,500	03/01/03 to 03/01/04
L.A. Municipal Risk Management Agency	ACCT# 0348	Standard Automobile Liability Hired Auto Non-Owner Liability	500,000 No Limit 500,000	N/A N/A N/A	03/01/03 to 03/01/04 03/01/03 to 03/01/04 03/01/03 to 03/01/04
Travelers Property Casualty	QT-660-797X2621-TIL-02	Fire Equipment	1,403,735	1,000	09/25/02 to 09/25/03
Hartford Steam Boiler	CS19599169	Computer Equipment	214,132	1,000	03/01/03 to 03/01/04
Allstate Insurance Group	49-854210	Fire & Extended Coverage With 90% Co-Insurance Crime Coverage	7,667,875 100,000	1,000	03/01/03 to 03/01/04
L.A. Municipal Risk Management Agency	LML 348 ACCT.# 0194	General Liability Medical Payments Fire Legal Liability Law Enforcement Officers Comprehensive Liability Public Officials E & O Coverage	500/500,000 1,000/10,000 50,000 500,000 500,000	N/A N/A N/A 5,000 5,000	03/01/03 to 03/01/04 03/01/03 to 03/01/04 03/01/03 to 03/01/04 03/01/03 to 03/01/04 03/01/03 to 03/01/04
L.A. Municipal Risk Management Agency	WC-0238	Workman's Compensation	100/500,000	N/A	03/01/03 to 03/01/04
Western Surety Company	N14194667	Notary Bond	5,000	N/A	11/26/01 to 11/26/06
Western Surety Company	N154121121	Notary Bond	5,000	N/A	1/13/03 to 1/13/08
Nationwide Life Ins.	502-95-08128	Accidental Death & Medical for Volunteer Policemen Life-Per Policeman	12,500	None	12/24/02 to 12/24/03
Western Surety Company	13352115N	Notary Bonds	5000	N/A	07/25/01 to 07/25/06

**OTHER REPORTS**

**KRIELOW & COMPANY**

(A PROFESSIONAL ACCOUNTING CORPORATION)

510 N. CUTTING

P. O. DRAWER 918

JENNINGS, LA 70546

(337) 824-5007

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS***

To the Mayor and City Council  
City of Jennings, Louisiana

We have audited the primary government financial statements of the City of Jennings, Louisiana, as of and for the year ended June 30, 2003, and have issued our report thereon dated December 26, 2003. We conducted our audit in accordance with generally accepted auditing standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the City of Jennings primary government's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the City of Jennings' internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the primary government financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the primary government financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the Mayor, City Council, management, the Legislative Auditor, and federal and state grantor agencies. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

*Krielow & Company*

Certified Public Accountants

Jennings, Louisiana  
December 26, 2003

CITY OF JENNINGS, LOUISIANA  
 Jennings, Louisiana

Summary Schedule of Prior Audit Findings  
 For the Year Ended June 30, 2003

<u>Ref. No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken (Yes, No, Partially)</u>	<u>Planned Corrective Action/Partial Corrective Action Taken</u>
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No prior year audit findings.

CITY OF JENNINGS, LOUISIANA  
Jennings, Louisiana

Corrective Action Plan for Current Year Audit Findings  
For the Year Ended June 30, 2003

<u>Ref No.</u>	<u>Description of Finding</u>	<u>Corrective Action Planned</u>	<u>Name(s) of Contact Person</u>	<u>Anticipated Completion Date</u>
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No current year audit findings.